

Abkhaz	100 Dr.	Armenia	100 Dr.	Belgium	100 Fr.	Canada	100 Cdn.	France	100 Fr.	Germany	100 DM	Greece	100 Dr.	Italy	100 Lira	Japan	100 Yen	South Korea	100 Won	Spain	100 Ptas.	Switzerland	100 Fr.	Turkey	100 Lira	U.S.A.	100 Cts.	U.S.S.R.	100 Rub.	U.K.	100 Pounds	Yugoslavia	100 Dina.
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LATE NEWS

Fraud Suspect Back in France

PARIS (Reuters) — Yves Chalier, the chief aide to a former French Socialist minister, was imprisoned on fraud charges Sunday after returning to France from months on the run in South America, his lawyer said.

Mr. Chalier, former aide to Cooperation Minister Christian Nucci, is the main suspect in a scandal over embezzlement of public money meant for African development. He fled France last spring to escape arrest, he said, at the urging of an Interior Ministry official.

SPECIAL TODAY

FRANCE'S GAMBLE
The Chirac government is betting that economic reforms will pay off politically.

A special report, Pages 7-10.



Sheikh Ali Khalifa al-Sabah, Kuwait's oil minister, announcing an OPEC committee plan to raise prices, Page 13.

GENERAL NEWS

- India and Sri Lanka discussed the ethnic warfare in Sri Lanka. Page 6.
- Leftists in Brazil's coalition, once in opposition, scored in national elections. Page 11.
- BUSINESS/FINANCE
- BankAmerica announced a restructuring plan to increase the value of its stock. Page 13.
- SPORTS
- The Giants and Bears battled in the NFL. Page 19.

Thatcher, Reagan Agree on Priorities For Arms Control

By Bernard Gwertzman
New York Times Service

WASHINGTON — Prime Minister Margaret Thatcher said that President Ronald Reagan has agreed not to press for the abolition of all long-range ballistic missiles in arms-control talks with the Soviet Union.

In a news conference Saturday after talking with Mr. Reagan at Camp David, Mrs. Thatcher read a statement that set out future arms-control priorities. The statement was clearly meant to ease allied concerns that the United States was rushing too quickly into far-reaching bans on nuclear forces.

Mrs. Thatcher said that Mr. Reagan had concurred with her that the priorities in negotiations with the Soviet Union should be on seeking a 50-percent cut in all strategic nuclear forces and on a sharp reduction on medium-range missiles.

The two leaders also agreed, Mrs. Thatcher said, that any major cuts in nuclear weapons should be accompanied by steps toward eliminating the Soviet advantages in nonstrategic forces.

The priorities were set out in a way that made it clear that the United States would not press for either the banning of all strategic ballistic missiles, which was proposed by Mr. Reagan in October in his talks with Mikhail S. Gorbachev in Iceland, or for an elimination of all offensive strategic forces, as sought by Mr. Gorbachev.

Mr. Reagan agreed in Iceland that the elimination of all offensive strategic forces should be a goal.

The Europeans have based their security since the end of World War II on a nuclear shield to offset the large disparity in the ground forces of the allies and the Soviet bloc.

The British and other Europeans were concerned, after the Reykjavik meeting, even about Mr. Reagan's proposal for a ban on all ballistic missiles in 10 years.

If the United States and Soviet Union agreed on this, they said, it could cause problems for Europe if the reductions were not matched by breakthroughs in a number of areas, including chemical weapons, verification and the size of conventional forces.

The British and other allies were even more concerned about the reports from Iceland indicating that Mr. Reagan had also agreed in



Demonstrators protesting the British-Irish pact take cover after coming under fire by police officers using plastic bullets.

See ARMS, Page 11

Irish Rally Ends in Violence

Belfast Protests Of Ulster Pact Leave 2 Dead

By Tyler Marshall
Los Angeles Times Service

BELFAST — One of the largest protest rallies ever held in Northern Ireland broke up in disarray over the weekend as elements of a massive Protestant crowd looted stores in the city center and fought running battles with police.

At least 25 persons were wounded Saturday as policemen equipped with bulletproof vests and riot shields fired plastic bullets into the fringes of the crowd.

Scattered incidents of violence were reported in Protestant neighborhoods elsewhere in the city as bands of youths roamed the streets amid a heavy police presence.

In earlier clashes between the police and Protestants late Friday and early Saturday, one youth was killed after being hit by a police vehicle and four officers were wounded in another confrontation. Three officers suffered burns from acid thrown in their faces.

[On Saturday night an elderly Catholic woman died in Carrickfergus after her home was attacked, Reuters reported Sunday. A police spokesman said that, apart from the two deaths, 44 police officers and 27 civilians had been wounded all over the province.]

Well over 100,000 Protestants had pushed into a square in front of the Belfast City Hall and spilled into surrounding streets to voice their opposition to a political agreement signed by the Irish and British governments exactly one year ago to bring stability to the troubled province.

The accord, which provides the Irish Republic with a consultative role in the British-ruled province, has been consistently opposed by the majority Protestant population, which views it as the first step toward Northern Ireland's absorption into a united, Catholic Ireland.

The accord is designed to end nearly four centuries of Protestant domination of Ireland's six northern counties by giving Catholics a share of political power.

Rally organizers and leading Protestant politicians who addressed the crowd had called for a peaceful protest, but violence began almost immediately.

As the crowd sang the words to the 21st Psalm at the outset of the rally, hooded youths near the edges of the gathering, believed to be part of a Protestant paramilitary group, began hurling stones at store windows in central Belfast.

By the time the Reverend Jan Paisley, a leading Protestant hardliner, rose to speak half an hour later, the police had fired several plastic bullets into the crowd.

For more than an hour after the rally broke up, leaders of the Protestant establishment, some dressed in bowler hats and orange sashes and at least one in the ceremonial red robe of an elected city councilor, tried to halt the looting by forming lines in front of the stores.

Mr. Paisley later dismissed the violence as "very slight trouble that means nothing."

"This is small compared to what will happen if this agreement is not scrapped," he said. "The streets is the only place left, alas, where the people of Ulster can say 'No.'"

Islamic Jihad Demands 'Wider Steps' on Captives

By Ihsan A. Hijazi
New York Times Service

BEIRUT — Islamic Jihad has urged the United States to take unspecified "wider steps" to gain the freedom of hostages it is holding.

The pro-Islamic, Shiite Moslem group freed David P. Jacobson on Nov. 7 and it says it is still holding American and other Western hostages.

Islamic Jihad said Saturday that it would not move "a fraction of a fingertip" to release the remaining hostages unless its demands were met.

The statement said Mr. Jacobson's release had been the "result of certain overtures that, if continued, will solve the issue of the hostages."

It also said that "the American government should assume a bigger role" and offer "a more advanced step to meet our demands and solve the hostages' problem."

The statement did not spell out the nature of the overtures, nor did it mention if they involved the group directly or were a reference to the recently revealed contacts between the United States and Iran.

It has been reported that the release of three American hostages since September 1985 came after American-made military spare parts were delivered to Tehran. President Ronald Reagan has acknowledged that arms were delivered to Iran but maintains the delivery was not a quid pro quo.

See JIHAD, Page 11

More Shipments to Iran Unnecessary, Shultz Says

By Cass Peterson
Washington Post Service

WASHINGTON — Secretary of State George P. Shultz said Sunday that he saw no need for further arms shipments as a way of enhancing U.S. contact with Iran but acknowledged that he may not speak for the Reagan administration on the subject.

"We gave a signal and the signal has been given and, as far as I'm concerned, I don't see any need for further signals," Mr. Shultz said on a television interview show.

Asked if he had authority to speak for the administration, he replied: "No."

Meanwhile, in an apparent effort to extend an olive branch to members of Congress, the national security affairs adviser, Vice Admiral John M. Poindexter, said the administration was "anxious" to discuss the secret operation with congressional oversight committees.

In an appearance on another television show, Admiral Poindexter said William J. Casey, director of the Central Intelligence Agency, would lay out details Friday when the Senate Intelligence Committee planned to convene the first of what was expected to be an exhaustive series of hearings.

Admiral Poindexter said he did not intend to participate personally in the hearing but would speak informally with members of Congress.

Admiral Poindexter's offer, however, suggests that the administration wishes to avoid a confrontation on executive privilege amid the clamor for answers on the arms shipment, including why the secret operation was conducted without advance notice to Congress and in the face of opposition from Mr. Shultz and Defense Secretary Caspar W. Weinberger.

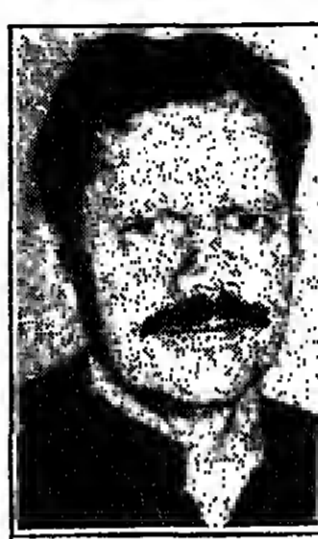
Mr. Shultz has been largely silent after disclosures that the United States delivered a plane load of weapons and spare parts to what have been described as moderate elements in Iran. His office said Friday he was "not directly involved" and was only "sporadically informed" about the operation.

Mr. Shultz on Sunday characterized the arms delivery as a signal of President Ronald Reagan's desire for better relations with Iran. The value of the gesture, he said, was debatable, but "when you get elected president, that's one of the things you get the right to do, to make decisions of that kind."

Mr. Shultz referred to Mr. Reagan's statement last week that there was no intent to trade arms for hostages, and added: "I might say that all of the public discussion probably helped somewhat."

He said it "has kind of con-

See MOSCOW, Page 6



Photograph of Terry A. Anderson, an American hostage, accompanied a statement released Saturday by the Islamic Jihad group.



Eugene Hasenfus and his wife, Sally, listen to the verdict against him being read.

Hasenfus Is Sentenced to 30 Years

By Stephen Kinzer
New York Times Service

MANAGUA — Eugene Hasenfus, the American air cargo specialist whose arms-laden plane was shot down over Nicaragua, has been convicted by a Nicaraguan tribunal and sentenced to 30 years in prison.

Mr. Hasenfus had admitted being part of a clandestine operation delivering weapons to anti-government forces in Nicaragua. In the verdict Saturday, the People's Tribunal said that such weapons "have been used to kill peasants and other Nicaraguan citizens."

The tribunal ordered the 30-year term after declaring Mr. Hasenfus guilty of violating a public security law that bans "actions aimed at subjecting the nation totally or partially to foreign domination, or interfering on its independence or integrity."

The tribunal added a three-year term for illicit association, but limited the sentence to a total of 30 years because that is the maximum allowed under Nicaraguan law. There was no finding on the third charge, terrorism, which carries a maximum sentence of two years.

[The White House said Saturday that Mr. Hasenfus's sentence "came as no surprise" because it

Soviet Prepares to Allow Small Private Concerns

By Celestine Bohlen
Washington Post Service

MOSCOW — The Soviet Union is getting ready to allow limited private enterprise in the heart of state socialism, from small cooperative cafés and repair shops in the cities to family farms in the countryside.

New legislation on "individual labor" was to be reviewed Monday at a session of the Supreme Soviet or parliament. According to articles in the official press, a draft of the law provides for contracts allowing individuals to run small enterprises for profit.

Many details are still unclear and, according to Western experts, the details will determine how far Moscow is willing to experiment with a private sector.

But from official and unofficial sources, the shape of the proposed reform has begun to emerge, giving the picture of small private enterprises operating with state aid and under state control, offering services that the state now either cannot provide or provides badly.

The most vivid example comes from a proposal drafted for the creation of new eating establishments in Moscow. The Soviet capital now offers a meager choice of restaurants, most of them large and noisy, with notoriously bad service.

Under a current proposal, cooperatives would apply to the local authorities for permission to open small cafés, with credit provided by the state bank and equipment and transport provided by the state. A contract would require the cooperative to pay the state a fixed sum out of its profits.

The cooperative managers would be allowed to buy food directly either from state or collective farms or on the private market, and to set prices for prepared food, according

On Wall Street, a \$100-Million Fine Shakes the Speculators

By James Sterngold
New York Times Service

NEW YORK — The announcement that Ivan F. Boesky, Wall Street's largest and best known speculator in takeover stocks, had admitted to illegally profiting from inside information could make it more difficult for financial entrepreneurs to take over existing control of major corporations.

A number of executives in the securities industry said there might now be fewer takeover bids, as well as less rampant speculation on which company would be the next target of a corporate raid.

There was also widespread concern that the size of the excesses exposed could outrage the public and Congress so much that restrictive new legislation might be imposed, although key members of Congress seemed to be taking a wait-and-see approach.

Legislators, in praising the investigation by the Securities and Exchange Commission, said that it was too early to tell if the commission needed broader enforcement powers.

"The committee and I are watching this closely," said Representative John D. Dingell, Democrat of Michigan who heads the House Energy and Commerce Committee.

A spokesman for Senator William Proxmire, Democrat of Wisconsin who is likely to head the Banking Committee in the 100th Congress, said Mr. Proxmire would also be willing to explore whether the Securities and Exchange Commission needed additional enforcement tools.

Mr. Boesky, chief executive of the investment firm Ivan F. Boesky & Co., was charged with making, in one year, more than \$50 million in profits through the illegal use of company information not available to the public. The Securities and Exchange Commission announced Friday that Mr. Boesky had agreed to return the profits plus a \$50-million penalty.

"My first reaction is that this will prove all the suspicions that the public might have that Wall Street is just full of a bunch of insiders taking advantage of them," said John H. Gutfreund, the chairman of Salomon Brothers, Wall Street's largest investment bank. "You have to remember that generally we do perform an important function and we are generally decent people. I'm perturbed by the fact that we all get tainted."

The "risk arbitrage" that Mr. Boesky and more than 100 other investment partnerships and Wall Street brokerage houses practice often centers on making big bets on the likelihood of one company's stock being bought out by another in a friendly or unfriendly transaction.

The actions of the arbitrageurs, who buy up large blocks of

See TAKEOVER, Page 6

Demonstrators Protest Pollution of Rhine

Ecologists in Chalampé, on the French bank of the Rhine, burned an effigy marked with the name of the Swiss chemical company whose Basel warehouse caught fire Nov. 1, badly polluting the river. In Basel itself, about 200 demonstrators held a symbolic funeral for the Rhine. Page 2.



Demonstrators protest pollution of Rhine.

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Congress-White House Clash Possible on Dealings With Iran

By Stephen Engelberg
New York Times Service

WASHINGTON—Members of Congress say they will demand that President Ronald Reagan's foreign policy advisers explain their dealings with Iran.

Several members of the Senate and House of Representatives said Saturday that they would challenge the Reagan administration if it tried to prevent members of the National Security Council staff from testifying before congressional committees.

The administration has previously rebuffed such requests, citing "executive privilege," the president's right to keep dealings with his personal staff private.

"The bottom line is they can't avoid oversight," said Representative Dave McCurdy, Democrat of Oklahoma, who is on the House Intelligence panel. "When the National Security Council staff steps outside its role of being an adviser

and becomes an executor of foreign policy and the transfer of arms, clearly they fall into our jurisdiction."

Both the House and the Senate Intelligence committees have scheduled hearings for Friday on the dealings with Iran.

Executive privilege is the doctrine under which the administration, like others before it, has claimed that internal deliberations do not have to be disclosed to the two other branches of government.

The issue has arisen repeatedly over the years and has long been a source of conflict between Congress and presidents.

Members of Congress said they wanted a detailed accounting, from National Security Council staff members who were directly involved, of what arms were sent to Iran, both by the United States and Israel.

Mr. Reagan, in a speech Thursday evening, said the amount of

parts shipped to Iran by the United States could fit into a cargo plane that carries approximately 100 tons. But congressional officials want to know the size and type of shipments made by Israel at America's behest.

Allies Express Anger

Judith Miller of The New York Times reported from Istanbul:

NATO legislators reacted with sorrow and anger on Saturday to disclosures that the United States had secretly sent arms to Iran and urged the allies to take a tough stand against terrorism.

"We feel horror and disgust," said Kevin McNamara, a British Labor Party member. "I am in the opposition, but most of our delegation here feels that Reagan has really let Margaret Thatcher down."

Earl de la Warr, a British Conservative, echoing his colleague's sentiment, said: "It has really hurt American credibility in the fight against terrorism."

Equally harsh words were voiced by French delegates to a session of the North Atlantic Assembly in Istanbul. The assembly provides a forum in which legislators from the 16 members of the North Atlantic Treaty Organization can discuss matters of common concern.

Francois Heisbourg, a French defense analyst, voiced disappointment in the decision to send arms to Iran.

"You—the strongest nation in the world—have permitted your foreign policy to be significantly manipulated by the Iranians," Mr. Heisbourg said. He said the American action would serve to increase

hostage-taking and reinforce extremist tendencies in Iran and other radical Middle East nations.

"When these people see what they can get by threatening the lives of a few innocent people, why shouldn't cynical states use this ploy?" he said.

West European reaction may be reflected in a resolution to be voted

Monday. The resolution, proposed by an Italian Christian Democrat, Angelo Bernasconi, asks NATO members "to commit themselves never to negotiate with terrorists, their backers or protectors." The resolution is widely viewed as directed at the United States.

Meanwhile, at a news conference in Washington on Saturday, Prime Minister Margaret Thatcher of Britain refused to be drawn into any criticism of Mr. Reagan's contacts with the Iranians.

"I'm not going to add to what the president said," she said after talks with Mr. Reagan. "He made his views absolutely clear. We have diplomatic relations with Iran and recognize its importance as a country."

She added that Britain was neutral in the Iran-Iraq war and had not sold lethal weapons to either side. "I believe implicitly in the president's total integrity on that subject," she said.

Iraqi Denunciation

Baghdad accused Washington on Saturday of "playing a dirty game" by shipping arms to Iran, which has been at war with Iraq for six years, The Associated Press reported from Baghdad.

Baghdad radio quoted an Iraqi spokesman as saying: "Iraq profoundly regrets, even denounces, that attempts by the U.S. administration to establish relations with Iran should include supplying the Iranian regime with quantities of military supplies, whatever their volume or nature."

"Iraq, as a responsible state, does not object to any state having normal and good relations with any other state even if it is Iran, which is waging an aggressive war against us," the radio quoted the spokesman as saying, "as long as these relations do not threaten Iraq's safety, security and sovereignty and do not help prolong the war."

WORLD BRIEFS

Blast Hits IBM Center in Heidelberg

HEIDELBERG, West Germany (UPI)—A time bomb exploded early Sunday at a research center of International Business Machines Corp., causing at least \$1 million in damage to the building's glass facade and buildings inside, the police said. No one was hurt.

Two clergymen who had received anonymous telephone warnings about 10 minutes before the bombing alerted the police. The bomb, which had been placed on an outside wall on the ground floor, exploded as the police arrived. They said they saw a vehicle, possibly a station wagon, speed away.

A letter found on the fence surrounding the IBM center claimed responsibility for a group calling itself Fighting Unit Hind Alameh. Hind Alameh was a member of the Palestinian group that hijacked a Lufthansa flight to Mogadishu, Somalia, in 1977. The passengers were freed in an assault by West German commandos.

Israeli Raid Bases in South Lebanon

SIDON, Lebanon (Reuters)—Two Israeli planes raided three Palestinian bases near the Ain al Helwan refugee camp in southern Lebanon on Sunday, wounding four persons, the police said.

The planes strafed the bases in the Durb al-Sim area, east of Sidon, for 15 minutes, witnesses said. Black smoke billowed from the site, but there were no immediate reports on the damage. It was the 14th Israeli raid in Lebanon this year. The camp is the home of at least 30,000 Palestinian refugees.

Meanwhile, in Jerusalem on Sunday, about 200 Jews stoned Arab homes, set fire to a store and smashed car windows during the funeral procession for Elisha Amedi, 22, a Jewish student who was stabbed to death in the Old City on Saturday. Four persons were arrested. An Israeli official said the government believed that a Syrian-based Palestinian guerrilla group was responsible for the stabbing. The police said that three Arab youths had confessed.

Attack on Afghan Rebels Reported

ISLAMABAD, Pakistan (AP)—Soviet and Afghan government forces bombarded Muslim guerrilla positions this weekend, killing and wounding dozens, rebel officials said. The insurgents said Sunday that their forces were holding on and had shot down two helicopter gunships.

Guerrilla officials said fighting raged across a 12-mile (20-kilometer) belt along the Pakistani border in Afghanistan's Ningrahar Province as the Soviet and Afghan armored columns advanced on guerrilla fortifications. The attack appears to be a major drive to close supply routes used by the guerrillas for transporting weapons and supplies across the border.

A guerrilla official said at least 16 rebels had been killed and 30 wounded in bombing and artillery attacks around positions at Naziana. The official had no details on losses in other areas, but guerrillas have said they are losing men while refusing to give figures.

2 Former Ministers Slain in Lesotho

JOHANNESBURG (AP)—Two former ministers in the cabinet of Lesotho Jonathan, who was deposed as prime minister of Lesotho in January, were among five persons abducted and shot to death Saturday, the South African Press Association reported Sunday.

The press agency identified the victims as Vincent Makhele, the former foreign minister, and Desmond Sixshe, the former information minister. The press association quoted a relative of one of the victims as saying the former officials, their wives and a male friend had been abducted Saturday night from the friend's home in the university town of Romaing, Lesotho.

Top Seeds Leading in Chess Olympiad

DUBAI, United Arab Emirates (AP)—The top seeds in the 27th Chess Olympiad in Dubai beat their less-experienced opponents to score 4-0 victories in the first round Saturday.

In the matches, Hungary beat Venezuela, Yugoslavia beat Thailand, and the United States beat El Salvador. The Soviet Union, which is favored to win, scored three victories against Lebanon, with one game adjourned. In the adjourned game, the Soviet grandmaster Boris Spassky has an extra bishop and was expected to win against Mounir Tarbesh when play is resumed Sunday.

Puerto Rico forfeited its match against second-ranked England because of a dispute with the Dubai organizers. The Puerto Ricans claimed that one of their players had been given the wrong rating and that this caused them to play England rather than a weaker team.

Boris Spassky, the former world champion, playing for France Sunday in Dubai.

Boy Killed in New Caledonia Unrest

NOUMEA, New Caledonia (Reuters)—A 14-year-old boy was shot to death and 12 persons were injured in an outbreak of violence in New Caledonia during the weekend.

The clashes occurred Saturday after a meeting by a rightist party, Rally for Caledonia in the Republic, which opposes independence for the French Pacific territory.

In Paris, Bernard Pons, the overseas territories minister, said his statement that 30 persons had been detained and that measures were under way to restore order. He added: "Extremists close to the supporters of independence must know that all attempts to return to disorder will not be tolerated and that the government, while acknowledging the pain of the young victim's family, will in no way confuse readiness for dialogue and weakness."

For the Record

The best contingent of U.S. soldiers sent to Bolivia in July to help in a crackdown on cocaine trafficking left Saturday. U.S. officials said the crackdown would continue, with U.S.-trained Bolivians replacing the U.S. soldiers.

President Ronald Reagan signed a comprehensive health bill Friday designed to promote exports of prescription drugs and to compensate children injured by vaccines. (NTT)

DOONESBURY

WHY IS AT TREETOP LEVEL OVER A REMOTE CONTRA BASE?

WHEN THE COMPANY SAYS IT'LL DELIVER...

HARRIS HAS AN ABERRATION!

BY GOD IT DELIVERS!

GOOD NEWS COMANDANTE! THE AID ARRIVED!

Pact on Mid-Range Arms Harmful To NATO, Alliance Commander Says

ISTANBUL—An agreement to eliminate medium-range missiles from Europe would leave NATO in a worse position than it was in seven years ago, according to the Western alliance's commander.

General Bernard W. Rogers of the United States, the North Atlantic Treaty Organization's Supreme Allied Commander in Europe, said the "zero option" almost agreed to in Reykjavik increased the overall threat to West Europeans from short-range missile systems and greater Warsaw Pact conventional forces.

"There is a greater risk and it is on the back of the West Europeans," General Rogers said at a joint meeting Saturday of the political and military committees of the North Atlantic Assembly.

General Rogers said of his feelings on the proposal to remove all medium-range missiles from Eu-

rope: "From a military point of view it gives me gas pains."

In Iceland, Ronald Reagan and Mikhail S. Gorbachev almost agreed that the United States would withdraw its cruise and Pershing-2 missiles from five West European countries in exchange for a similar withdrawal by the Soviet Union of its SS-20s stationed west of the Urals.

In the end, the talks founded on the U.S. Strategic Defense Initiative missile-defense system.

General Rogers said forward deployment of shorter-range SS-21s, SS-22s and SS-23s by Moscow meant that NATO would be "in a worse position than 1979" with a zero agreement.

General Rogers, who also warned of a widening imbalance between the conventional forces of NATO and the Warsaw Pact, said the zero option would have to be accompanied by "balanced, verifiable reductions" in shorter-range ballistic missiles and conventional forces.

The United States says any intermediate-force agreement should include a freeze on some of Moscow's short-range missile systems.

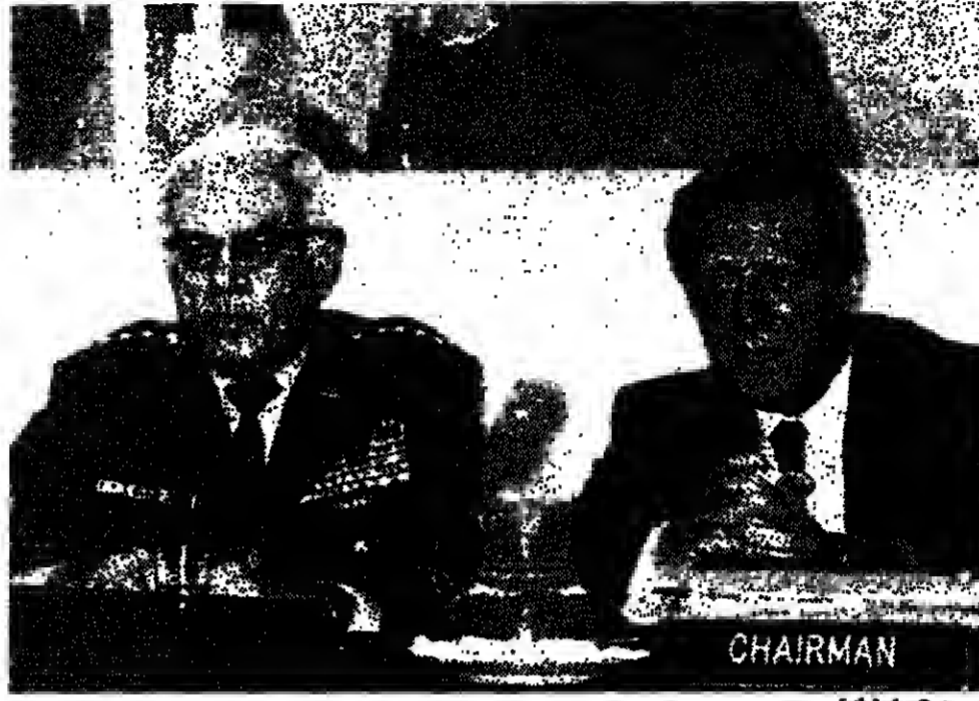
But General Rogers appeared to go further by saying that an accord on intermediate forces should also be linked with moves to resolve the imbalance of conventional forces.

Earlier, in a prepared speech to the meeting, General Rogers said it was his major concern that the gap between the conventional forces of the opposing alliances was widening every year in the Warsaw Pact's favor.

"The day will arise when the military situation for our defensive alliance is beyond restoration," he said.

"With the backdrop of that massive conventional force that they have in the East," he said, "we'll find ourselves being subject to intimidation, coercion and blackmail and accommodation with the East."

General Rogers said that under current conditions he would have to ask NATO's politicians for permission to resort to nuclear weapons "fairly early" in a war.



Sir Geoffrey Johnson Smith, right, chairman of the military committee of the North Atlantic Assembly, speaking in Istanbul. At his side is General Bernard W. Rogers.

'Cosmetic' Withdrawal

Foreign Minister Knut Frydenlund of Norway said that the nuclear armistice that the Soviet Union says it has withdrawn from the Kola peninsula was removed "a couple of years ago." Reuters reported Sunday from Oslo.

Additionally, the Norwegian Foreign Policy Research Institute said the nuclear missiles were obsolete and were removed three or four years ago.

Tomas Ries, a military expert at the institute, said that the announcement in Helsinki last week by the Soviet party ideologist and No. 2 Politburo member, Yegor K. Ligachev, was "cosmetic and cynical."

The London-based International Institute for Strategic Studies said in a January 1985 publication that Moscow had withdrawn the weapons because longer-range missiles sited deeper inside the Soviet Union made them obsolete.

Mr. Ligachev said all launch sites for medium-range rockets had been dismantled in Kola, which borders on Norway and Finland and is the base for the Soviet Northern Fleet.

Finland's biggest newspaper, the Helsinki Sanomat, said in an editorial Saturday that the military significance of Mr. Ligachev's announcement should not be exaggerated.

"Missiles can be targeted into the Nordic area from as far away as the Urals," the newspaper said.

Basel Protesters Hold 'Funeral' for Rhine River

By Thomas Netter
Special to the Herald Tribune

BASEL, Switzerland — They buried the Rhine River over the weekend, in a symbolic funeral march of about 200 people, accompanied by a mournful dirge.

Outside town, near the Sandoz AG chemical warehouse, people gathered at the site of a disastrous Nov. 1 fire and chemical spill to show their displeasure once again.

While the two new protests were smaller than those that have filled Basel's cobblestoned Marktplatz several times since the fire at the warehouse of Sandoz, one of Switzerland's largest chemical companies, they showed that anger over the chemical disaster still lingers.

That anger continued to spread Sunday as Chancellor Helmut Kohl of West Germany, in an interview with a south German radio station, called the incident "intolerable."

He urged the Swiss authorities to make public what safety measures they plan after what is widely seen as Western Europe's worst environmental disaster in a decade.

The Swiss authorities and officials of Sandoz have promised to announce new safety measures this week, as a cleanup of the river near the site of the fire begins.

Basel officials plan to vacuum-clean about 660 pounds (about 300 kilograms) of poisonous pesticide, herbicide and fungicide residue from the river silt over about two weeks.

About 30 tons of chemicals are believed to have entered the river, but most of it has washed downstream.

Officials from Basel to the North Sea have expressed grave concern over a mercury-compound herbicide, called chloxyethyl-mercury-hydroxide, that went into the river.

Benedict Hurni, the chief of water monitoring in Basel State, said he believed most of the 1.9 tons of pure mercury it contained had gone up in smoke in the fire, while about 440 pounds (200 kilograms) went into the river.

"This is bad because we don't like mercury," Mr. Hurni said, adding that 1.9 tons equal about 20 percent of all the mercury that enters Switzerland's atmosphere in a year. Mercury can be lethal if ingested in large amounts.

Thomas W. Clarkon of the University of Rochester medical school in New York said in a telephone interview that he believed that much of the mercury had washed downstream and had been diluted, based on an analysis of preliminary reports.

He added that, unless someone ate substantial amounts of contaminated fish in the coming years, there was no significant danger to health.

Such comments, coming after a wave of condemnations from West German, French and Dutch officials have saddled this city with an image it would like to forget.

Until Nov. 1, Basel prided itself on being the home of Switzerland's greatest art museum, its oldest hotel and tavern, and its cultural center.

But in the past two weeks, it has been dubbed "Chernobyl" and "Bhopal," references to the Chernobyl nuclear accident and the Bhopal chemical leak that killed about 2,000 people.

On Sunday, there was little if any suggestion that anything untoward had happened. Strollers took advantage of a sunny, cloudless fall day to walk by the river banks and visit cafes in the old town.

Birds flocked to people offering handfuls of grain and bread crumbs, an image that clashed with graffiti admonitions that "Basel is dying," "Basel bleeds," and "Basel is dead."

"Thanks to the firefighters, and above all to the fates, next to the chemistry industry, there still remains in Basel the Baslers," said a commentary in the Basler Zeitung's Saturday edition.

Calcutta still sits on the Ganges, Basel still sits on the Rhine. Only Utopia still remains somewhere to be found," the newspaper added. "That it is found has recently been shown to be a fundamental imperative."

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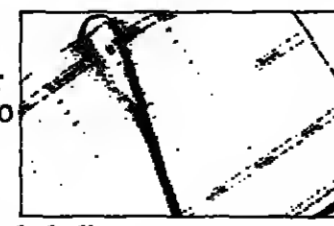


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AMERICAN TOPICS

Nader Finds Fraud In Utility Metering

The meters that measure how much gas a stove draws, how much electricity a freezer consumes or how long a telephone call lasts are, by accident or design, cheating the American public of billions of dollars a year, according to a study directed by Ralph Nader, the consumer advocate.

For centuries the thumb on the scale has been a problem, Mr. Nader told The New York Times, and it persists in its modern form, utility meters. The study gives no statistics because to do so, he said, would have taken forever. Instead, it recounts court cases, investigations and individual complaints. For example: The Hudson Oil Co. of Westwood, Kansas, was convicted in 1983 of adjusting its filling-station pumps in 16 states so that customers paid for about 3 percent more gasoline than they got.



A LAWYER, AGE 17 — Stephen Bacaus and his parents, James and Florence Bacaus, celebrated in Miami after he was sworn in by the Florida Bar Association as the state's youngest lawyer ever. The Florida Supreme Court waived the minimum age requirement of 18 for Mr. Bacaus, who got his bachelor's degree at 14 and a law degree at 16.

defendants had already pleaded guilty, Mr. Vincent, 41, conceded, "I did not make myself do what I should have done."

Shorter Taken: The U.S. Food and Drug Administration, seeking to further reduce the menace of acquired immune deficiency syndrome, or AIDS, has added prostitutes and their recent clients to its list of people who should not donate blood.

Notes About People Forty-two years ago Lady Bird Johnson paid \$40,000 for two Austin, Texas, radio stations, now KLRJ-AM and KLRJ-FM. This month the widow of President Lyndon B. Johnson sold

them for a reported total of \$27.5 million to a New York group. President Ronald Reagan plans to appoint Alfred H. Kinjo, his assistant for cabinet affairs, as U.S. representative to the European Community in Brussels, according to White House sources quoted by The New York Times.

After John Kenneth Galbraith, the economist, author and diplomat, had held forth for an hour or so at a Washington press breakfast to launch his 25th book, "A View from the Stands," the chairman asked Catherine Galbraith, Mr. Galbraith's wife for 49 years, for her thoughts. "I'm struck speechless," she said. "I'm so used to listening to him."

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Preschools Pushing Too Hard, Study Says

By Barbara Vobejda Washington Post Service

WASHINGTON — Preschools are pushing children too hard and too early to achieve academically, leading to childhood stress, depression, burn-out and learning problems, two major education organizations warned.

The problem of scholastic "force-feeding" of preschoolers has become particularly acute over the past decade, as many educators and parents push for earlier academic programs and the number of 3-, 4- and 5-year-olds in school skyrocketed, officials from the organizations said Friday.

"Education is being conceived of as a race and if you start early you'll win that race," said David Elkind, president of the National Association for the Education of Young Children. "It is stressful for children."

Mr. Elkind's organization has adopted a strong position urging that preschools reduce their emphasis on teacher-oriented, academic lessons and allow children to learn in a less stressful environment by initiating their own activities, talking to people and solving problems, such as balancing blocks or putting together puzzles.

The notion of teaching children academic skills at very early ages gained popularity in the late 1960s and 1970s, with parents exposing their toddlers to classical artwork and music and drilling them in math and reading.

The group's statement was prompted by a growing body of research on the subject and a doubling of the number of 3- and 4-year-olds in school since 1970. It was released Friday in conjunction with the National Association of Elementary School Principals.

The warning comes at a time when public schools face increasing pressure to provide all-day kindergarten and preschool programs and when the number of working mothers and single-parent families is

creating additional need for the programs.

There also are other forces at work: a growing number of disadvantaged children for whom early education is considered essential to later success, and a wave of parents looking for early academic prowess in their children.

Mr. Elkind said these pressures and research from the 1960s stressing the academic potential of young children has led preschools to commonly teach a watered-down version of first-, second- and third-grade curricula.

"With increasing numbers of young children being exposed to these inappropriate teaching methods, there is a real danger that large numbers of young children will experience learning problems at an age when, in the past, most children were not even in school," said Mr. Elkind.

The problem affects private as well as public preschools and kindergartens and children from every socio-economic category, he said.

But an accumulation of research and evidence of increasing numbers of children suffering stress and later learning problems has led such educators as Mr. Elkind and others to warn against the academic focus in these programs.

University of Chicago professor Benjamin S. Bloom, whose research two decades ago helped start a movement of early education programs, agreed in a telephone interview Friday that programs should stress exploration and interaction, not academic skills.

"You don't teach them arithmetic at age 3 or 4," he said. "The average child is not ready to learn to read and perform math until about age 6 1/2," according to Mr. Elkind.

For U.S., Frustration at OAS Meeting

Its Policy on 'Contras' Is Unpopular, but So Are Sandinists

By Stephen Kinzer New York Times Service

GUATEMALA CITY — The annual meeting of the Organization of American States here last week has left many U.S. officials frustrated over the policy of many Latin American governments who disapprove both of the Nicaraguan government and the rebels who are fighting to overthrow it.

The officials said they believe such a policy is fundamentally inconsistent.

During the weeklong OAS meeting, diplomats from several of the group's 31 member nations expressed distaste for the Sandinists on ideological grounds. At the same time, they condemned U.S. support of Nicaraguan rebels, known as "contras."

President Alan Garcia Pérez of Peru is among the Latin leaders who have most strongly condemned

United States support for the rebels.

The Peruvian delegate, Luis Gonzales Posada, asked the OAS on Monday how it was possible "that an OAS member state can legally approve financing, training and arming an irregular army to attack another country that is also a member of the same organization."

Yet in Lima before the OAS meeting, Mr. Garcia made clear that his country's outspoken criticism of the contras was not based on admiration for the Sandinist government.

A Latin American diplomat who specializes in Nicaraguan affairs said that the governments of most members of the OAS "are critical of the Sandinists, especially on the question of freedoms."

"At the same time," he said, "we don't support an insurrection against them."

Latin American diplomats expressed concern at what might come of increasing military aid to both sides in the Nicaraguan conflict.

"War or peace in the region is just around the corner," said Jorge Abadía Arias, the Panamanian foreign minister.

Efforts to renew stalled peace negotiations sponsored by the Latin American nations forming the Contadora group, which is seeking to ease conflicts in Central America, ran into obstacles at the OAS conference. The countries are Mex-

ico, Panama, Colombia and Venezuela.

A meeting of concerned countries was called, but Costa Rica, Honduras and El Salvador refused to attend, citing what they said was a hostile attitude on the part of Nicaragua.



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2 U.S. Courts Rule Against Drug Testing

By David G. Savage Los Angeles Times Service

WASHINGTON — Two federal court rulings have cast new doubts on whether the U.S. government can test its workers for drugs.

In a case in New Orleans, seen as the first test of President Ronald Reagan's plan to examine 1.1 million federal employees for drug use, a federal judge ruled last week that a general analysis of all U.S. Customs Service workers seeking promotions was "a gross invasion of the right to privacy."

In another case, a federal judge in Chattanooga, Tennessee, ruled last week that the city could not routinely test its policemen and fire fighters for drug use. District Judge R. Allan Edgar, echoing recent opinions on the issue, said that broad, mandatory testing, without "reasonable suspicion" that individuals were using drugs, violated the constitutional protection against unreasonable searches and seizures.

Robert Tobias, president of National Treasury Employees Union, which brought the case in New Orleans, said he thought the Reagan program was "dead." He said, "The government might keep trying, but we think the courts have spoken clearly."

A Justice Department spokeswoman said officials there would not comment on the legality of the president's program until they had a chance to read the ruling.

Advocates of drug testing point out that neither a federal appeals court nor the Supreme Court had ruled clearly on the issue. None of the rulings speak specifically to whether testing is legal for private-sector employees.

On Sept. 15, Mr. Reagan signed an order requiring drug testing for federal employees in "sensitive positions." The White House estimated that 1.1 million of the 2.8 million civilian employees would fall under the order, but the program has yet to be implemented.

In August, before the president acted, Commissioner William von Raab of the Customs Service said he wanted to make his agency a model of a drug-free work place and ordered urine tests for new workers in his agency and for those seeking promotions.

However, Judge Robert F. Collins ruled that the urine sample required from customs workers was "a degrading procedure that so detracts from human dignity and self-respect that it shocks the conscience and offends this court's sense of justice."

Attorney General Edwin Meese 3d said earlier this year that he thought drug testing was legal. "By definition, it's not an unreasonable seizure," he said, "because it's something the employee consents to as a condition of employment."

But Judge Collins explicitly rejected that reasoning, concluding that an employer could not require an employee to give up his constitutional rights as a condition of holding his job.

Only one week after the president announced his plan, a federal judge in Newark, New Jersey, nullified a required urine testing program for fire fighters in Plainfield, New Jersey.

Group Cites Return of 'Livable' U.S. Cities

By Benjamin Forgy Washington Post Service

WASHINGTON — Ten years ago, an organization called Partners for Livable Places began studying, codifying and promoting the various ways so-called "intangibles" can advance the material well-being of cities.

The group, founded as a spin-off of the Design Arts program of the National Endowment for the Arts, has focused most of its attention on the "economics of amenity," in which parks, theaters, art museums and galleries, sports and recreational facilities, clean air and pleasant streets are valuable elements.

Now, as part of its anniversary celebration, the organization has published a catalogue of success stories, "Return of the Livable City: Learning From America's Best."

One prominent example of a city that has defied the bleak forecasts for a decaying downtown is Pittsburgh, partly because it started to clean up its act well before other major industrial cities, partly because city officials built a new stadium on the riverfront, and partly because of the city's physical setting.

In the 1940s, when asked what should be done with Pittsburgh,

Frank Lloyd Wright is said to have responded, "Abandon it." In the early 1940s the air in Pittsburgh was so foul that downtown street and store lights had to be kept on throughout a typical day.

One significant factor in the city's turnaround is the consistency of its corporate and political leadership, which early on realized that much more needed doing to enhance and increase the vitality of the city.

A local financier, Richard King Mellon, is reported to have told a regional planning conference in 1945 that "Pittsburgh needs something to increase the enjoyment of living here and to induce business to come here."

This is prose, not poetry, but for its time it was visionary prose, and it helped to produce well-planned cultural facilities, parks and office development in the central district. The city has made strong efforts to reach into its working-class and middle-class neighborhoods, as well.

The Pittsburgh story is distinguished by the continuity of leadership and the outstanding availability of private wealth. Other cities were selected by Partners for Livable Places to illustrate different, and often surprising, scenarios:

• Lowell, Massachusetts, is a

tale of turning perceived liabilities, such as abandoned textile mills and ruined canals, into assets. The mills, relatively inexpensive to renovate, now house law firms and high-tech enterprises, and the canals are part of a national historical park.

• Indianapolis is cited for its unorthodox and successful strategy to reincarnate itself "as the nation's amateur-sports capital and center of 'wellness.'" More than \$180 million invested in sports facilities, complemented by health and fitness research in medical and pharmaceutical industries, has brought the city new money and a strong image.

• In Portland, Maine, ordinary citizens rebelled against the latter-day conventions of revitalization. Faced with a proposal for redevelopment of the city's docks in accordance with the proven formula of Baltimore's Harborplace and Boston's Faneuil Hall area, they countered with a strong campaign favoring a "working waterfront" of fisheries.

• Seattle has many stories, including a strong environmental push, the largest per capita public improvement program in the United States and creative, although not conclusively successful, efforts to

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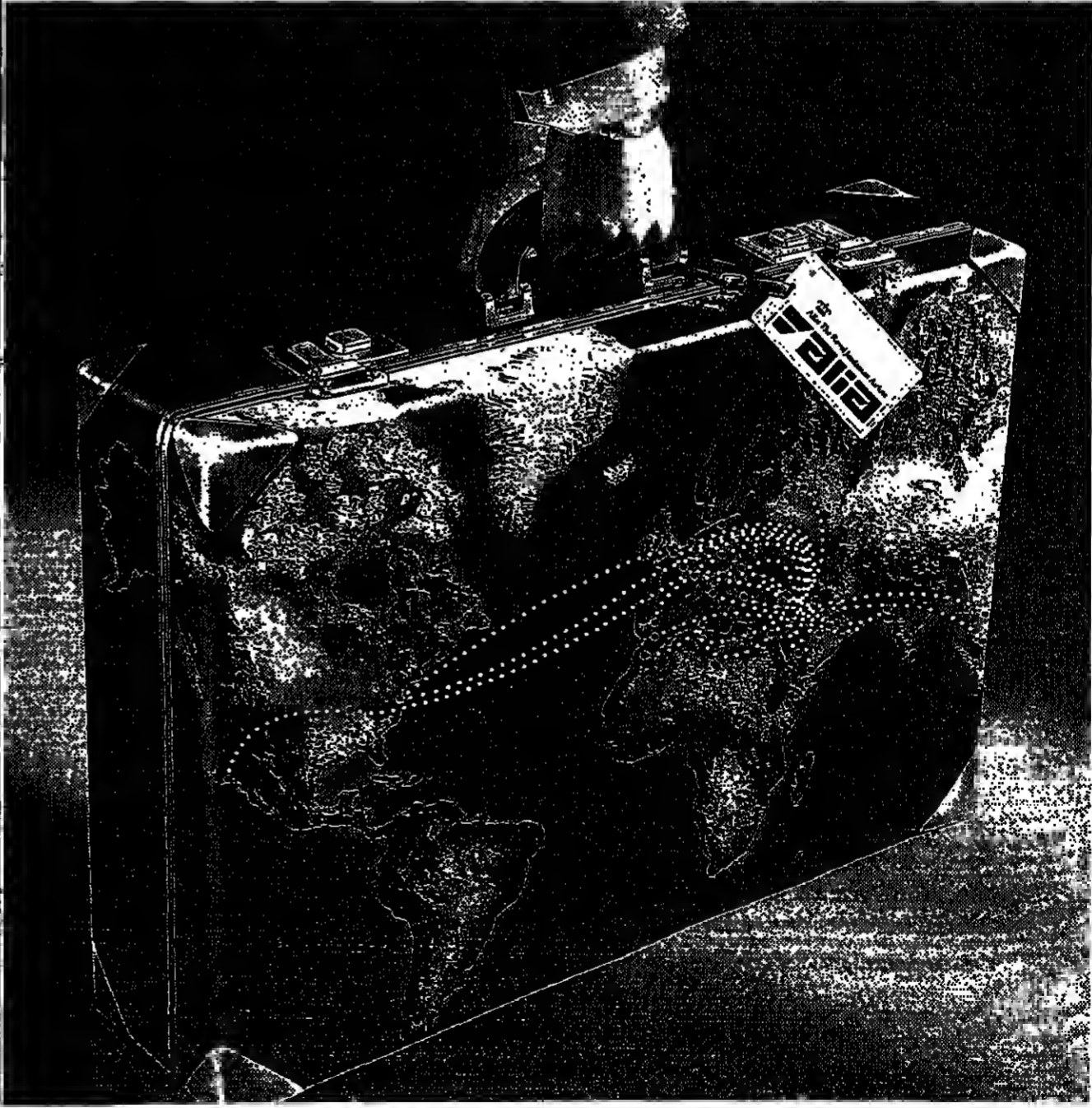
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OPINION

INTERNATIONAL Herald Tribune

Iran Is Just the Latest

At last, the president has at least brought the Iran mess into the open. His public statement, though defensive and incomplete, belatedly launches a damage-control effort. But the larger signs remain unmistakable: The Reagan administration's foreign policy is coming unglued.

Mr. Reagan tumbled into a bidding war that ended up with his imprudent acceptance of Mr. Gorbachev's proposed plan to eliminate all nuclear weapons within 10 years. The president is now trying to walk back from his hasty position, but has lost stature as a serious negotiator.

Aquino's Trials Go On

Corazon Aquino, president of the Philippines, is safely back from Japan after a trip that prompted heavy worries about whether a coup might take place while she was gone. Her trials, however, go on. They center in a sense on Defense Minister Juan Ponce Enrile. He abandoned his longtime patron, Ferdinand Marcos, last winter and helped deliver the united military support that made Mrs. Aquino's triumph by "people power" possible and peaceful.

This is the context in which alarming reports of a military plot against the Aquino government began circulating. The president, heading off on her recent trip to Japan, actually felt it necessary to caution against a coup. The chief of staff, General Fidel Ramos, a respected professional soldier who has emphasized his subordination to civilian authority, issued a stiff public warning to any "military adventurists" considering "rash" action.

Other Comment

Iran Episode Is Useful Lesson
As much as Ronald Reagan's duplicity on Iran cost the United States abroad, the greater damage was at home. Many Americans gave their utmost trust to this actor-president. Anyone who watched Mr. Reagan vowing never to negotiate with terrorists while slipping arms under the table to the ayatollahs may be pardoned for thinking all politicians are liars.

serious doubt over the continuation of Washington's firm line against terrorism. If there were, then his decision to adopt economic sanctions against Syria must surely have removed them.
Mr. Reagan insists that it was not a question of a swap or bargaining and that his country maintains a categorical refusal to negotiate with terrorism. He is not persuasive. And a few sanctions against Syria will not dissipate the impression that the White House speaks in double talk.

The Iran Opening: A Burden, a Responsibility

By Fouad Ajami

NEW YORK — As President Reagan now describes his overture toward Iran, it is an optimistic bet on Iran's moderation. There may be something to this. Modest results may yet vindicate his try. He has indicated to the Iranians that America was willing to let bygones be bygones, and conceivably he has positioned the United States to be an honest broker in the conflict between Iran and its regional rivals.

provided Iran with a convenient setting in which America and France could be harassed, in which the example of the revolution could be displayed at minimal cost. But even in that hopeless country of warring sects, the Shiite rebellion sprang out of Lebanon's own situation — out of a deep sense of disenfranchisement and a decade of Israeli-Palestinian war.

is in store for Iran's other neighbors. In Saudi Arabia and in the smaller states of the Gulf, the political order corresponds to the political culture and sensibility. Unlike the shah, the rulers there have refrained from playing with fire; the faithful were not offended as they were in Iran, and the pretensions were kept to a minimum. For all the talk of an imminent upheaval that would sweep away the conservative order of pro-American states in the Gulf, that order has remained intact. What problems it faces in the years ahead have less to do with external subversion than with familiar internal problems of political order and economic viability.

place. Americans have been hearing the region wail for itself. Very little of this has to do with the sermons and the sedition of Iran's mullahs. The Reagan overture toward Iran has not altered what for the United States remains a difficult Middle Eastern landscape. It is not within America's power to enforce the troubles of this tormented region or to make the place work or produce. The fragments of America that will survive in the Moslem world — the economic interests, the cultural institutions and ties, the political bonds — will do so to the extent that the people in the region share them.

America's Century: Is It Over?

By Jim Hoagland

PARIS — My favorite Leninist cliché is the one about the capitalists eagerly selling the rope for their own hanging. It came to mind the other day while listening to Jean-René Fourtou describe how three years of the overvalued dollar, followed by the greenback's precipitous yearlong slide, helped him buy part of Union Carbide last week.



New Approaches From Israel, America

By Avigdor Haselkorn

LOS ANGELES — Without a doubt, the timing of Israel's nuclear "bomb in the closet" policy was influenced by the sad experience of the Iran-Iraq war. Israeli leaders watched in horror as the Iraqis used chemical weapons on the battlefield and as both sides bombarded each other's cities with surface-to-surface missiles.

Other concerned states could not sit by while Iran gathered strength. So, beginning in late 1985, Iran had to contend with what its leaders called the "oil conspiracy": an effort by certain producers, in Prime Minister Mir Hussein Mousavi's words, "to damage Iran's ability to continue the struggle" by flooding the oil market and driving prices down.

Washington believes that some members of the Iranian leadership realize that the war is not in Iran's interests. Hasmehi Rafsanjani, speaker of the parliament, was quoted in Le Monde on Oct. 25 as saying that if the Iraqi leader, Saddam Hussein, stepped down, Iran would not challenge his country's integrity and would be prepared to negotiate with the new Baghdad regime "even if it was pro-American."

Why Is Indonesia Executing These Men?

By Eric Schwartz

WASHINGTON — The government of Indonesia recently executed nine political opponents who had been imprisoned for some 20 years in connection with a 1965 coup attempt. Now the government may execute 16 more prisoners. In the absence of Indonesians' right to criticize these actions, the international community should about its abhorrence of these executions.

Why is the Indonesian government executing these men — one beyond the age of 59? No one outside that government can be certain. Whatever the reason, it is the political climate in Indonesia today that makes it possible even though the events on which the executions are based occurred so long ago.

Under such circumstances, international protest is essential if additional executions are to be prevented. The governments of the Netherlands and Australia, as well as the European Parliament, have recognized the need for outsiders to speak out and have urged clemency. The U.S. government, which has not yet opposed the executions, should publicly urge that they be ended. The circumstances of these executions — the unfair trials and long imprisonments — makes America's silence resounding.

IN OUR PAGES, 75 AND 50 YEARS AGO

1911: Tiny, but Socialist
RUDELSTADT — By the return of a Socialist majority in the Parliamentary election, the Principality of Schwarzburg-Rudolstadt has acquired the distinction of possessing the first Socialist Parliament in Europe. And, if the elections in this little principality, which comprises 96,900 inhabitants in its 907 square kilometers, may be taken as an indication of the approaching general elections to the Reichstag, the German Chancellor, in the opinion of the "Rudolstädter Zeitung," will have grounds for preoccupation on Jan. 12. By the Constitution of Nov. 16, 1870, the Principality has a Landtag composed of 16 members elected by secret voting, four by the more important taxpayers, 12 by the entire electorate. In the elections, nine of these 12 seats have been given to Socialists.

1936: Security After 65
WASHINGTON — Blue-uniformed legionnaires composed of 250,000 men carried out from 45,000 post offices scattered over the United States (on Nov. 16) to inaugurate the Federal government's social security program, aimed at protecting 26 million U.S. workers against economic misfortunes in their old age. Before midnight, the postmen had delivered 3.5 million letters, one for every industrial and commercial employer in the country whose employees might be eligible for monthly benefits when they retire. Starting Jan. 1, the government will tax each worker's pay of his wages, while the employer will be taxed the same amount. The size of the pension will be determined by the amount of the worker's earnings during the period from next January until his 65th birthday.

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OPINION

Molotov: The Hand of Stalin's Long Arm

By George F. Will

WASHINGTON — The Soviet foreign ministry, with an austere protestantism, said merely that "the pensioner" had died. Vyacheslav Molotov, dead at 96, never received notice commensurate with his involvement in large matters.

Perhaps part of his problem was his unprepossessing appearance. Churchill wrote of "his enormous head, black, mustache and comprehending eyes, his slab face." Molotov edited Pravda before organizing the first Bolshevik committee in Petrograd during the 1917 February Revolution, yet Trotsky called him "mediocrity incarnate." Trotsky, however, died 46 years before Molotov, in Mexican exile, with an alpine ax lodged in his skull by the long arm of Stalin, whose right hand was Molotov.

Lenin designated Molotov as "the best file clerk" in Russia. However, Russia's files bulge with interesting documents. For the vanguard of the proletariat — the leaders of the Communist Party — building a socialist system does not involve heavy lifting, but, my, the paperwork.

In "The Great Terror," Robert Conquest describes how Stalin and Molotov would arrive at their offices and find in their in-trays a list of 40 or so names compiled by one Yezhov, an enforcer.

"Comrade Stalin, I am sending for your approval four lists of people to be tried by the Military Collegium:

"List No. 1 (general); List No. 2 (former military personnel); List No. 3 (former government personnel); List No. 4 (wives of enemies of the people).

"I request sanction to convict all in the first degree. Yezhov."

"The lists would go into the out-trays, with the brief notation, 'Approved, J. Stalin, V. Molotov.'"

"These lists of a few dozen victims were part of retail killing in a country, and a country, characterized by wholesale killing. However, Molotov and Stalin did not usually deal in small numbers. Although there have been many mass murders, though with more flourish, few were more prolific than Molotov.

Robert Conquest's "The Harvest of Sorrow" is a new history of "the biggest unreported story of this century," the "terror-famine" engineered by Stalin to crush the kulaks, a term denoting peasants prosperous enough to be considered "class enemies." The famine killed seven million people, more than half of them children, in the Ukraine in 1932 and 1933. More than 15 million people — more than were killed in World War I — were killed by the brutal collectivization of agriculture that the famine was intended to accelerate.

Mr. Conquest notes that while official documents at the time spoke decorously of "limiting" the kulaks (a semantic evasion that anticipated the Nazis' "final solution"), Stalin and Molotov, plain speakers, preferred the word "liquidate." This was years before Hitler embarked on his genocide, which claimed fewer victims. Here, too, Molotov was a

pioneer whose achievements as Stalin's servant have not yet received due notice.

Molotov would chair meetings of committees that included men whose death warrants he had already signed — "dead men talking," in Mr. Conquest's phrase. But he did once rebel, in his fashion, against the purge of a person close to him. When, in 1948, the Politburo

Filial piety is always nice: Molotov was readmitted to the party two years ago.

ru, doing Stalin's bidding, voted to purge and imprison Molotov's wife, Molotov abstained from the vote.

His wife was a live wire. While imprisoned, a senior military officer recalled being greeted by her at a reception: "Ah, Sasha, whatever's this? Why haven't you been arrested yet?" She was at that time head of the cosmetics industry, a post she obtained when the man above her was sent to a labor camp.

Molotov's name is on the agreement — the Molotov-Ribbentrop nonaggression pact — that lit the fuse of the Second World War. Ribbentrop was hanged at Nuremberg 39 years before

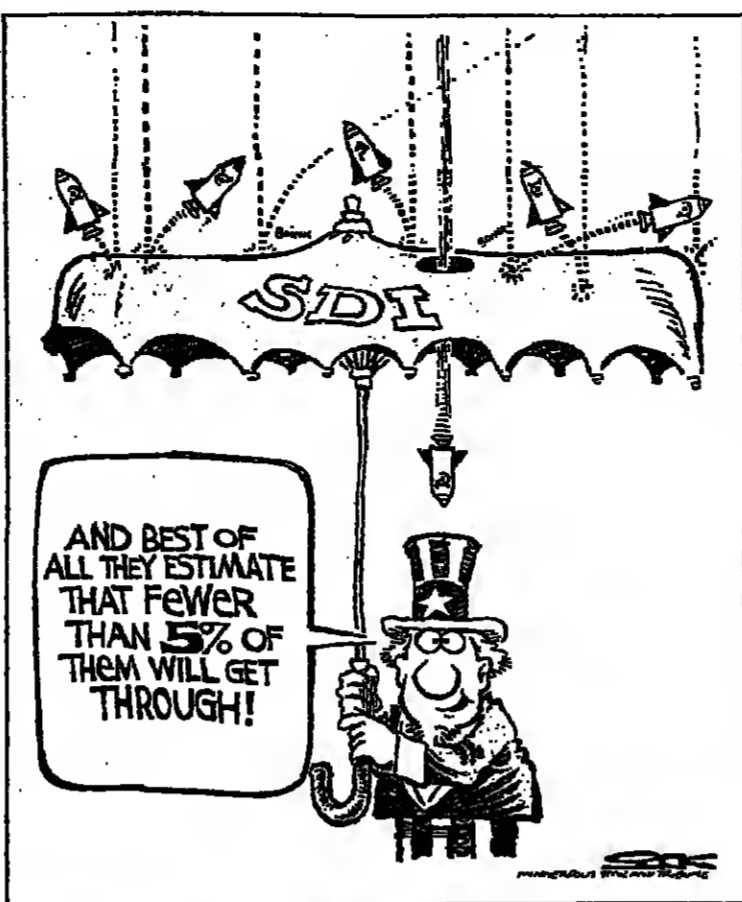
Molotov died. Justice falls unevenly on winning and losing camps.

Of the regimes that once were allied with Hitler, only the Soviet regime survives with institutional and ideological continuity. Molotov was a suitable symbol of the durability of the regime he helped create. When the 77-year-old Molotov plunged into the revolutionary turmoil, Russia was so prostrate and anarchic that a rabble could seize it. When he died, a 20th-century success story, the state he helped launch was the center of what historians Mikhail Heller and Alexander Nekrich in their new book "Utopia in Power" call "the last world empire. From Cuba to Vietnam, from Czechoslovakia to Angola, the sun never sets on the zone of Soviet control."

Molotov must have felt ill-used when, in 1962, Khrushchev, the Stalinist "de-Stalinizer," expelled Molotov from the party. Ingratitude is never pretty. Khrushchev's path to glory ran through the Ukraine, where he helped Stalin and Molotov suffocate that captive nation.

But filial piety is always nice, and recently the new, different, open, reforming, modernizing Kremlin leaders have rectified that injustice. Two years ago Molotov was readmitted to the party. Also, party records were falsified to show uninterrupted membership, a suitable tribute from that regime to one of its founding fathers.

Washington Post Writers Group.



For a First-Time Candidate, A Healthy Dose of Humility

By George A. Hirsch

NEW YORK — Everybody told me I wouldn't win. Everybody told me I was crazy. Well, they were right. And wrong. I didn't win. But I wasn't crazy. After all, they said, you've spent 24 years in the magazine business. Why, at 52, jump into politics, where you're a newcomer? And go up against an entrenched incumbent?

Well, for one thing, more than 40,000 people in Manhattan's 15th congressional district thought I should be their

MEANWHILE

congressman, and that's lovely. Alas, more than 50,000 thought Bill Green should be their congressman. And 50,000-plus is lovely.

For another thing, I learned a lot. Lesson one: humility. Let me tell you, you don't know what humility is till you've run for office. I had no idea, in the congressional district where I was born and have lived and worked all my adult life, how many people there were who didn't know me and who, when my name was mentioned, responded with an enthusiastic "Who?"

Humility II. A rainy evening in April. With my son Willie along for moral

support, I go to the Village Independent Democrats to try for an endorsement. Virtually my first speech, and I have a 20 minute beauty tucked away in my pocket. They tell me I have three minutes. I try to select key paragraphs. It is probably the oratorical low point of my campaign. We head for another club. I junk my written speech and do a good extemporaneous job. Unfortunately, at this club there are exactly nine people. (Every time Willie hears me say that, he says, "Eight, Dad." Humility III.)

Lesson two: the press conference. As a publisher, I thought I knew about the press. But as a candidate, I had to compete with things like the World Series and corruption trials. What I learned here was, it ain't a press conference unless the press shows up.

Lesson three: who's important. To get press attention, I set up endorsements by political stars like Gary Hart and Bill Bradley. Both came to New York to campaign with me. The coverage: virtually nil. So then, even with the luminous Ted Kennedy coming in to endorse me, I got nervous and invited Christie Brinkley to join us. She did. We made the cover of a New York paper, papers in Boston and Newark, and got stories on television and radio news.

Lesson four: human frailty. It's early May and in Central Park 6,000 runners are lined up for marathon applications. Runners — my people. For me, running the length of the line is no problem. Not the feet, anyway. I shake about 5,000 hands and spend the afternoon with my hand in an ice bucket.

Lesson five: People have other things on their minds. You may not, but they do, and you have to forgive them for not paying attention. A campaign call:

Me: Hi, I'm George Hirsch, and I'm running with Governor Cuomo for election on Tuesday.

Voter: You are running against Governor Cuomo?

Me: No. He is supporting me. I'm running for office in Washington.

Voter: Washington? What's the matter? You don't like New York? Lesson six: Learning about the district and the people. It's home for folks with the megabucks, and a bunch of doorways for folks with no home. Home for the lady who saw me at a subway stop for the third time and who finally said, "If this happens one more time, we're going to have to get engaged."

I was happy. I was no longer an unknown. I'd gotten to say what I wanted to about important issues and I'd learned a lot. Yes, I didn't win. And, no, I wasn't crazy. I'd do it again tomorrow.

The writer was founding publisher of New York magazine and The Runner magazine. He contributed this comment to The New York Times.

LETTERS TO THE EDITOR

ANC: It Has to Fight Back

Regarding the opinion column "Beware, the ANC Is a Communist Front" (Oct. 28) by John R. Silber:

Clearly, a system of violent repression has wrought a violent response, and while the methods of the African National Congress are certainly not the most palatable, it is stretching the point to describe the movement as committed to terror, oppression and poverty.

Indeed, the adjectives more appropriately characterize the government's approach to containing its "racial problem." As Mr. Silber would have it, the humiliation and violence suffered by Winnie Mandela and her people should elicit little more than appeals for fair play. In fact, ANC activism was once limited to such appeals.

The brutal context of South African politics, however, has unfortunately all but eliminated the possibility of a peaceful solution. In the coming struggle the Western world will have to support one side or the other. Mr. Silber has apparently cast his lot with the minority regime. One can only hope that the leaders of Western governments will show more foresight in formulating a long-term approach.

PAUL J. COOK, Cavalese, Italy.

Class-Adam Wachtmeister, in "The ANC: Listen to Tambo" (Letters, Nov. 8), suggests that Oliver Tambo dissociates himself from violence. Mr. Tambo was in Moscow earlier this month and stated that the Soviet Union had pledged continued military assistance for the ANC. What does that mean?

E.A. BENACHIL, Geneva.

warfare against military targets, and the deliberate attempt to slaughter unrelated civilians, in unrelated countries, for unrelated "root causes"?

J. SHAPIR, Amsterdam.

Silence on Afghanistan

In response to "The Overlooked War: Why the Left Is Mute" (Oct. 25):

Barnett R. Rubin was all too right in saying that lack of media attention is the cause of the left's silence on the Soviet invasion of Afghanistan.

Indeed, the Western media have failed miserably in their duty to report what is happening in Afghanistan. Why? Probably because of the inconvenience and danger of reporting from the scene, as well as the political considerations mentioned by Mr. Rubin.

Symptomatic of the media's failure was the uproar at Boston University's College of Communication in August. The dean of the college resigned while several faculty members expressed concern over a proposed plan to train Afghans in the most basic journalistic techniques so that they could report on the war. ("Boston School Divided Over Afghan Training," Aug. 23).

If Western journalists are incapable of doing their job, they have no cause to

complain when someone wants to train others to do it for them.

DON C. YAGER, Seeb, Oman.

Yamani Was No Moderate

Regarding the opinion column "As Yamani Leaves the Stage, His Warnings Come True" (Nov. 6) by John K. Cooley:

"Ranged against the Yamani policies of caution and regard for the industrial West..." What revisionism this is! Is it possible that the Yamani beloved of journalists as the man who "holds the world to ransom" can, in one week, become this champion of moderation?

Sheikh Yamani has for so long been the media symbol for the Organization of Petroleum Exporting Countries, and OPEC the media's own "evil empire," preventing the three-car, two-hoot, air-conditioned family from enjoying life. I wait with baited breath for the new front-page scapegoat when oil prices are too high to suit consumers, or too low to please bankers and businessmen.

GAIL K.M. COLLIS, Vienna.

Giving In to Terrorists

In "France Has to Be Weak" (Nov. 6), Art Buchwald neglected to mention that

West Germany, Belgium and Greece also still maintain diplomatic relations with Syria — all for a variety of reasons not unlike those he attributed to France. It is a pity that he also neglected to mention that the United States is not above suspicion of giving in to terrorists, in view of the McFarlane mission to Iran. Rather than having a few giggles at the expense of an age-old ally of the United States, he should have asked why West Germany and the others still maintain relations with Syria.

Consider also that when American bombs fell on Libya, the BBC and British public opinion were hugely anti-American, while in France the French public was in favor of the American action — despite its government's action in preventing the bombers from passing through French airspace.

A.J. VILITOS, London.

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Getting on for 300 litres of water are consumed daily by each of the one million inhabitants of Riyadh, capital of Saudi Arabia. Roughly the same per capita figure as for the USA.

*For more information on Krupp's activities in environmental engineering, contact Krupp Industrietechnik GmbH, Werk Gravenbröich, Lindener, 43, D-4048 Gravenbröich.



Gandhi, Jayawardene Meet on Tamil Conflict; Rebel Chiefs Join Talks

BANGALORE, India — The leaders of Sri Lanka and India met repeatedly over the weekend to search for a solution to the ethnic conflict in Sri Lanka...

say that if Mr. Prabhakaran's group, which virtually controls the northern town of Jaffna, agreed to lay down its arms, the other Tamil groups would fall into line.

The Indian government sent a plane to Madras on Sunday to bring two ministers of Tamil Nadu state...

Guerrillas are fighting to set up an independent state in the north and east of the island for the Tamils, who make up 13 percent of Sri Lanka's population of 15 million.

Speaking by telephone from the group's headquarters in Madras, the spokesman said that the police had arrived and had summoned the leader of the group...

The sources said Mr. Jayawardene and Mr. Gandhi discussed the issue with the help of maps for 70 minutes at midday Saturday...

The top two leaders of Sri Lanka's largest Tamil militant group, the Liberation Tigers of Tamil Eelam, also flew from Madras to Bangalore...

Mr. Jayawardene is in Bangalore for a meeting of the South Asian Association for Regional Cooperation.

India's role in the Tamil struggle is considered crucial, because it offers a haven to the guerrilla leaders in its southern state of Tamil Nadu...

He and Mr. Gandhi held more talks with the leaders of the association drove to the Nandi Hills holiday resort for informal meetings Sunday afternoon...

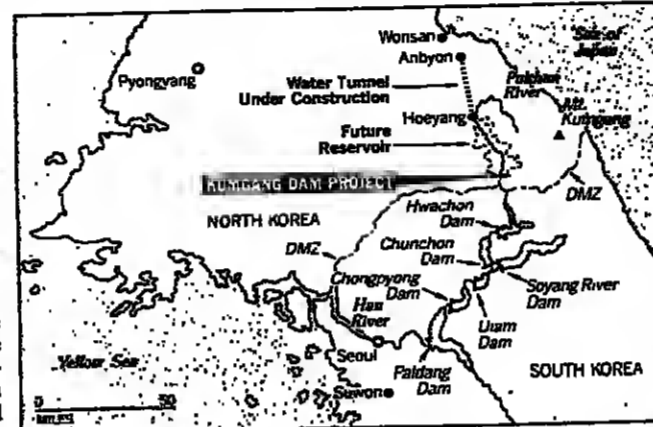


India's prime minister, Rajiv Gandhi, right, and Sri Lanka's leader, Junius Jayawardene.

Dam in North Raises Tension in Korea Seoul Considers Giant Project a Potential Military Threat

By John Burgess Washington Post Staff Writer

SEOUL — A new focus of military tension has emerged between North and South Korea — a dam. A hydroelectric dam that North Korea recently began building could be used in wartime to destroy Seoul and adjacent areas by flooding...



"We sternly warn we would be compelled to take self-defense measures before the threat becomes reality," the South Korean defense minister, Lee Ki Baek, said in Seoul recently.

At the least, South Korea said, the dam would partially divert a river and reduce the flow of water that South Korea uses in agriculture and power generation.

South Korea agreed that the dam could affect water flow in the South but said that people there would benefit because natural flooding would decrease.

South Korea said the dam would straddle the Pukhan River, which flows across the Demilitarized Zone that divides the North and South.

By its own account, Seoul does not know precisely where the dam is being built or how large it will be.

South Korea said water flow into the South would be cut by about 20 percent, harming ecosystems, reducing supplies of drinking, irrigation and industrial water...

It is unclear, however, what real pressure the South can bring to bear. The Communist government in the North is treating construction as a glorious revolutionary task.

Rescuers clawed through shattered concrete to search for survivors among the estimated 90 people who lived in makeshift dormitory rooms above the market in the northern Taipei suburb of Chunghe.

The South Korean government recently disclosed the project to its people. South Korean television aired North Korean footage said to show ground-breaking with explosives at the project.

Interior Minister Wu Po-hsiung ordered tougher inspection procedures for new buildings as government investigators seized documents from engineering and construction companies that built the Taipei market.

So far the North has built an access road and begun work on the water tunnel, South Korean officials said. Construction will take about five years, they estimated.

Taipei residents have become used to tremors, which frequently rock the city and open up cracks in buildings. But Saturday's quakes, among the worst in living memory, caused widespread panic.

12 Killed As Strong Earthquakes Hit Taiwan

TAIPEI — At least 12 persons were killed and nearly 40 were injured over the weekend in a series of strong earthquakes in Taiwan, the police said.

The police said Sunday that 10 bodies, most of them of children and elderly people, had been recovered from the wreckage of three-story market near Taipei.

Saturday's earthquakes and aftershocks, registering from 2.0 to 6.8 on the open-ended Richter scale, provoked anxious queries about safety inspection procedures for buildings.

The tremors also triggered landslides that cut roads and a railroad line in the east, the police said. Two fishing boats and seven rats capsized in the northeastern port of Su-ao, they said.

More than 40 houses in the Taipei district and at Hsin in northeastern Taiwan collapsed. A 14-story office building in central Taipei also was damaged.

An editorial Sunday in the China Post newspaper said the earthquakes "should shock us into serious action on improving the quality and safety standards of our buildings."

It said figures showed that 68 percent of the government buildings in Taipei failed to meet official safety standards and hinted at corruption among government officials and building companies.

With the enormous wealth and capital that the arbitrageurs, known on Wall Street as "arbs," have accumulated in this short period of time, corporate executives are sometimes powerless to resist them.

The most important change in the takeover game in the past five years is that takeover speculators have gone from being bit players on the periphery of the game to being central characters who can, and do, decide what companies will be broken up, bought out or liquidated.

Arbitrageurs make it easier for a corporate raider to accumulate stock at lower prices because they serve as a conduit, first buying out public shareholders and, in effect, warehousing the stock for the raider to then buy in large amounts.

That deal would not have happened without the involvement of the arbitrageurs, especially Mr. Boesky, substantial club, able to buy up 5 percent and more of a company's stock and force it into the hands of a corporate raider.

TAKEOVERS: The Boesky Fine

(Continued from Page 1) stook held by the public, can in effect decide whether a company is taken over.

People in the arbitrage business, which is said to have more than \$15 billion at its disposal, maintain that Mr. Boesky's activity was not typical of the way they operate.

But Guy Wyser-Pratte, the head of risk arbitrage at Prudential-Bache Securities who wrote the book "Risk Arbitrage," also notes that arbitrageurs typically talk with investment bankers and corporate officials of takeover situations.

There was also a feeling among many on Wall Street that Mr. Boesky's role in the insider trading scandal, which first broke in May with the arrest of Dennis B. Levine, a former investment banker, was something that historians may point to as a symbol of the unusual, lucrative, free-wheeling era Wall Street is passing through.

More than anything, Mr. Boesky's agreement to pay the government \$100 million for his misdeeds illustrates the enormous wealth and power that speculators have achieved in the span of just a few years.

The enormous success of the arbitrageurs in the late 1970s enticed numerous other investors to give them more money to operate with. These were often large institutions like insurance companies.

Mr. Boesky started with \$700,000 in 1975, and was able to raise a fund of \$900 million earlier this year.

Their swelling bankrolls gave the arbitrageurs, especially Mr. Boesky, substantial clout, able to buy up 5 percent and more of a company's stock and force it into the hands of a corporate raider.

Several arbitrageurs said that Mr. Boesky's consent decree would discourage his colleagues from becoming visible at all in takeovers.

The worst fear is that there will be an overreaction that might stifle legitimate economic activity.



Ivan F. Boesky

the arbs," said Daniel Good, a mergers expert at Shearson Lehman Brothers, who represented the losing bidder for Allied Stores.

Because of this influence, the Wall Street specialists who advise corporations on how to acquire other companies, or how to fend off unwanted bids, are often tempted to try to ally themselves with the arbitrageurs.

Other than Mr. Levine, few young investment bankers or takeover lawyers with some of the most prestigious firms on Wall Street have been charged.

Mr. Boesky's agreement to pay the government \$100 million for his misdeeds illustrates the enormous wealth and power that speculators have achieved in the span of just a few years.

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WORLDWIDE ENTERTAINMENT advertisement for Moulin Rouge featuring a man in a tuxedo and a woman in a dress.

Advertisement for the Herald Tribune newspaper, showing a newspaper front page and a photo of a man.

Large advertisement for the Herald Tribune featuring the text '2 for 1' and 'Worldwide subscription rates offer discounts of up to 50% off the newsstand price'.

Table with subscription rates for various countries including Europe, Americas, and Asia, listing rates for 1, 6, and 12 months.

Subscription form with fields for name, address, city/country, and a signature line.

Advertisement for the International Classified section, listing various services like escorts, guides, and travel agencies.

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Vertical advertisement on the right edge of the page, including 'New', 'ROATING RATE INC', and 'EUROB'.

France: Betting on Growth

POLICIES

At a Glance

June 1981: Left Sets New Policies

Following the appointment of Pierre Mauroy as prime minister, and the elections for a new National Assembly, the Socialist

government introduced a program of reforms, including higher minimum wages and welfare allowances, reinforced trade union rights and increased taxes on the wealthy. The inflationary policies pushed the country into heavy borrowing abroad.

Pierre Mauroy

February 1982: Firms, Banks Nationalized

The country's five largest industrial groups, 39 banks and two holding companies are nationalized. Of the 20 billion francs allotted to investment in the nationalized sector, 6.45 billion francs are earmarked for the ailing steel industry. In March, a temporary freeze on wages is introduced and Socialists suffer a setback in cantonal elections for departmental assemblies.

March 1983: Delors Announces Austerity

In a major policy turnabout, the government announces an austerity plan to reduce France's heavy trade deficit and mounting debt. Finance Minister Jacques Delors's austerity measures include industrial restructuring, reductions in public expenditure, increased taxation and price controls.

July 1984: Fabius Moves to Modernize

Laurent Fabius is appointed prime minister, replacing Pierre Mauroy. He ushers in a technocratic approach, adhering to a policy of reducing state intervention, moderating the economy and promoting decentralized decision-making with the continued aim of reducing government spending.

March 1986: Right Wins Elections

Following the right's victory in the legislative elections and Jacques Chirac's appointment as prime minister, measures are introduced to liberalize the economy and attract foreign investment.



Jacques Chirac



Investors Appear Less Enthusiastic For Privatization

By Julian Nundy

PARIS—When the Banque Nationale de Paris put novoting share certificates on the market last May, the issue was 10 times oversubscribed and had to be closed early. It was, it appeared, a good omen for the state-owned bank's eventual denationalization in particular and for the center-right government's privatization plans in general.

But within a few weeks, according to bankers, the BNP was itself in the market, buying its own *certificats privilegés d'investissement* to maintain their value after prices on the Paris Bourse started to fall.

France's first full-scale privatization — of the Compagnie de Saint-Gobain glass, construction and packaging concern — is due to be completed between Nov. 24 and Dec. 5.

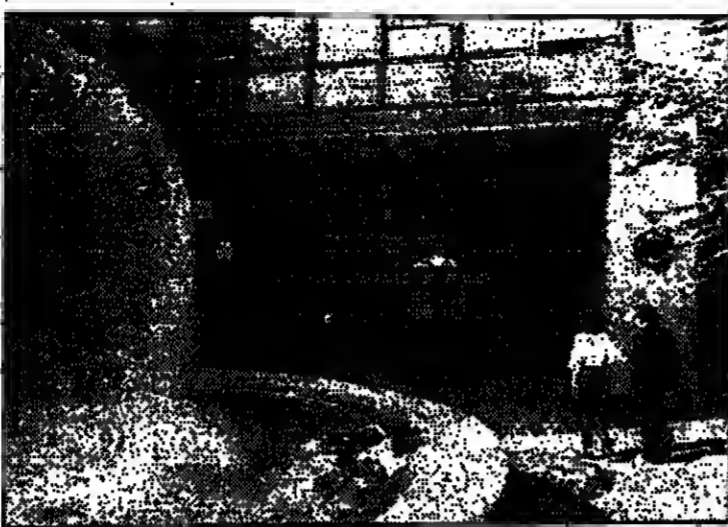
Finance, Economics and Privatization Minister Edouard Balladur has said that the exact date will depend on market conditions.

However, some investment advisers admit to being lukewarm in their enthusiasm for denationalized issues, comparing the current atmosphere in Paris unfavorably to that which has preceded the privatization of British companies in London.

"The success of privatization is what this government's economic policies will be judged on," one investment counselor at a private French bank said. "But for the moment, my colleagues and I hardly even talk about denationalization."

The privatization program aims to change

JULIAN NUNDY is on the staff of the International Herald Tribune.



Photos by Claude Grammeast/Collectif

"The success of privatization is what this government's economic policies will be judged on."



France's economic landscape, ending the country's traditionally massive state involvement.

In the political short term, the capital earned from stock flotation will be directed by the government into public works projects, stimulating growth to an estimated 3 percent and creating new jobs.

And the short term is all important as the conservatives seek to prolong and extend their political grip by winning the presidency back from the Socialists.

For Prime Minister Jacques Chirac, any lurches could be costly as he keeps his eye on the next presidential elections.

The elections have to be held by May 1988 and could come much earlier if the current incumbent and Mr. Chirac's rival, François Mitterrand, decides that the moment is opportune.

The Saint-Gobain denationalization will be followed by that of the Compagnie Financière de Paribas, a major financial holding company, in January, and of the Assurances Générales de France insurance group in March.

In the new year, France's first television channel, TF1, will be put on the market, heralding a deregulation of telecommunications and reform of broadcasting, a policy that has little public support, according to opinion polls.

To ensure the success of privatization and the development of the "popular capitalism" that has taken off so well in Britain under Prime Minister Margaret Thatcher, the government has announced a series of measures to encourage small investors, a class that scarcely existed in France until mutual funds were promulgated for the first time in the mid-1970s.

Mr. Balladur announced last month that

the government planned to introduce retirement savings plans. Each individual will be able to save up to 6,000 francs (\$999) a year, a sum that must be invested in stocks or bonds to qualify for accompanying tax advantages.

Another measure will be to sell stock in privatized companies on favorable terms to the companies' employees, a measure also intended to increase workers' sense of involvement in their firm and thereby guaranteeing a measure of social peace.

In the case of Saint-Gobain, for example, employees will have the choice of buying shares at 5 percent below their launch price and be free to sell them as they wish or to buy at 20 percent below and be obliged to keep the shares for a minimum of two years before selling.

Mr. Balladur said that these measures plus the creation of two investment funds for staff would ensure that employees held 10 percent of Saint-Gobain stock, a government target for all the denationalized companies.

Small investors, buying a maximum of 50 Saint-Gobain shares at the time of denationalization, will receive a bonus of one share for every 10 that they retain for 18 months.

But, for all Mr. Balladur's incentives, many analysts are worried by the prospects for denationalization in France, a process which could well suffer from a currently nervous market.

When Mr. Chirac was elected last March, the Paris Bourse was booming, buoyed by falling oil prices and a stationary rate of inflation achieved under the former Socialist prime minister, Laurent Fabius.

But in May, the market, reacting to falling

Continued on page 10

Sweeping Reforms Promised

Political Stakes Are High for Chirac

By Axel Krause

PARIS—Management of the French economy may again become the decisive issue in the next presidential election, which is scheduled for 1988.

The main reason, according to many observers, is that the conservative government of Prime Minister Jacques Chirac was elected last March on a pledge to stimulate growth and reduce unemployment by introducing sweeping reforms.

However, despite some decidedly important bright spots, such as lower inflation, the economy is expanding only moderately, unemployment remains at record levels and French industry continues to lose export market shares amid widespread concern in France and abroad that more vigorous action is needed. The volume of the Paris Bourse is sagging.

Rumors have cropped up in London and Paris banking circles about a new franc devaluation early next year, which would be part of a realignment of the European Monetary System.

"The economy, and specifically, unemployment, will be the issue in the next presidential election, along with security and terrorism," said Edmond Alphonandery, a conservative deputy in the National Assembly.

Mr. Alphonandery, also an economist and supporter of Raymond Barre, the former prime minister who is a presidential contender, believes that the economy will become the central issue when "people here realize that economic crisis is no longer a worldwide phenomenon; that the unemployment situation, for example, is improving elsewhere."

The man currently at the helm, Edouard Balladur, the minister of finance, economics and privatization, radiated confidence in a recent interview in his office. He said: "Looking at our policies and reforms since coming to power eight months ago, I believe France is now headed in a good direction. All that is possible is being done to develop economic expansion — that is now being understood by the French people."

As the second most powerful man in the government after Mr. Chirac, Mr. Balladur is entrusted with a highly delicate mission: to gradually reduce the role of the government in the economy with a view to stimulating growth and jobs while easing prices downward in a traditionally inflation-prone economy.

"We are doing exactly what we said we would do," he said, adding that critics inside and outside the government who urged more drastic measures, such as lowering interest rates, were being "irresponsible."

Since taking power, the government has introduced a string of reform measures that have included decontrolling prices, virtually eliminating exchange controls, starting denationalization of 65 banks and financial groups, easing worker-firing rules, reducing income and corporate taxes and some government charges paid by employers, expanding employee shareholding in privatized companies and establishing several regulatory agencies.

Substantial spending cuts will push the 1987 government budget deficit to a record low — 2.5 percent of gross domestic product, compared to 2.9 percent this year. Equally impor-



Edouard Balladur

tant, for the first time in 30 years, government spending next year is projected to rise less swiftly than prices.

Lively promotional campaigns have been organized, emphasizing what one governmental adviser describes as "the quiet, Chirac revolution — the plan to bring capitalism and entrepreneurship to France."

Some examples: ● A government-sponsored television commercial shows a stallion straggling off chains and galloping into a field. "When you provide the economy air, everyone breathes easier," says the announcer.

● Alain Madelin, industry minister, recently named Jacques Maisonrouge, a former IBM executive, to take over the No. 2 spot in the ministry. "From now on," Mr. Madelin said, "this ministry must adopt, and no longer orient, much less direct, the life of companies."

● The government is helping the White House host a conference on private-sector initiatives in Paris next week. About 200 senior executives and senior government officials from the United States and West European countries are expected to participate in the program, which will include a speech by Mr. Chirac and a videotaped address from President Ronald Reagan.

The political stakes in successfully driving home the message are considerable for both Mr. Balladur and Mr. Chirac since Mr. Chirac is widely expected to be the leading conservative candidate for president, while Mr. Balladur may be his choice for prime minister.

According to French political strategists and diplomatic observers, success or failure on the economic front could decide their political fortunes and that of their party, the neo-Gaullist Rally for the Republic, which currently dominates the coalition of conservative parties controlling the National Assembly.

Mr. Alphonandery, and even former Socialist

Continued on page 8

AXEL KRAUSE is the economics correspondent of the International Herald Tribune.

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Economic Losses ■ Risk-Taking Encouraged

Terrorism: Adding Up A Long, Expensive Bill

By Joseph Fitchett

PARIS — As models showed next spring's ready-to-wear fashions at the collections last month, the crowd along the runways was noticeably thinner than usual.

"The usual horde of fashion groupies stayed away this fall, some because they were scared there would be bombs, some because they knew there would be security hassles," noted a Paris-based American model.

"But most of the buyers came," she said, adding, "Professionally, they had to — and they're the people, after all, who really buy."

Like the fashion world, the rest of the Paris business world is trying to put the best possible face on the cost of terrorism.

Beyond the human loss caused by the terror-

ism in additional national health expenditure and in claims for compensation from victims.

A total figure may never emerge because so many variables are involved.

The uncertainties are partly deliberate. "We don't give out figures for detailed police costs," said a spokesman for the Interior Ministry. He implied that the acknowledgment of the economic damage of terrorism might help the terrorists' strategy.

During the bombing wave, François Léotard, minister of culture and communications, appealed to Parisians to maintain their normal activities. "Staying at home helps paralyze national life, which is one objective of the terrorists," he said.

But uncertainties are also in the nature of the question. "Lots of Americans stayed away from France this year because the dollar has fallen so far against the franc, but thought it sounded better to say they were boycotting France because the government was not going along with the United States on terrorism," said a U.S. executive in Paris.

When terrorism suddenly hit a peak in September in Paris, it was after a year when terrorism had already battered the French economy. As the Reagan administration stiffened its anti-terrorist policy, culminating in the bombing raid on Libya last spring, many Americans decided to avoid Europe during their vacations because they feared terrorist reprisals there.

Some fears were unavoidable. For example, major companies were told that their insurance coverage would be jeopardized if they insisted on sending several members of top management to Europe simultaneously.

The French Riviera was especially hit hard. In Cannes, the hotel owners' association will only acknowledge a slight drop in business during the summer. It says that the occupancy rate in the top hotels was down in July to 67 percent, compared to 86 percent in July 1985.

This is an over-optimistic version, other sources say. "The hotels and airlines were running fire sales all summer long for France," said an airline executive. "I was able to get rooms and get rates for friends with unheard-of ease."

"It was a tough go-round for everybody," said Frederick Paul, head of Pan American in Paris.

Major airlines flying the North Atlantic to Paris suffered 30 percent cancellations in May and June this year. Air France, in an effort to gain passengers, advertised "summer reductions" instead of the usual summer surcharges.

After the September terrorism bout, U.S. carriers to Paris quickly moved onto their winter schedule, offering a single daily flight to Paris instead of two. This, in effect, halved their New York-Paris capacity, so there are a lot fewer empty seats.

While the Riviera, whose main industry is tourism, suffered badly, Paris is less clear about how badly it was hurt.

At the Chamber of Commerce, Mr. Essig said that Americans were conspicuously fewer

Overall business sales levels have not recovered.

ist bombings, the French economy has paid a stiff price to meet the costs of terrorism and anti-terrorism.

"Nobody has a figure, but it's a huge order of magnitude," said François Essig, director-general at the Paris Chamber of Commerce.

But a Paris-based executive added: "We're talking hundreds of millions of dollars just for new security alone, not mentioning all kinds of businesses' yield erosion," a word used in boardrooms for reduced profits in Europe this year.

Mr. Essig's office estimates that Paris stores suffered a 30-percent drop in sales in September, when a wave of bombs killed nearly a dozen people and wounded several hundred.

Some categories of businesses were hit even harder, for example, cinemas and restaurants, airlines and hotels.

On top of lost sales, many companies have had to shoulder extra costs involved in installing anti-terrorist facilities.

"Major airlines flying the North Atlantic are having to spend at least \$500,000 this year and \$700,000 next year to comply with new requirements for security at Paris airports alone," said an industry source, who asked not to be identified to protect his company.

These new costs cover additional security measures at check-in counters and also round-the-clock guards for airplanes on the ground to maintain surveillance of the service personnel.

The French government, too, has a heavy bill. Taxpayers have to pay for the costs of police overtime and reinforcement, and the government has lost money in lost sales taxes,



Security is heightened on the Champs-Élysées.

in number this summer. "But their places were taken by a big increase in German and Scandinavian travelers," he said.

However, he acknowledged that northern European tourists are no match for Americans in spending power. "In that sense, the situation had an extraordinary impact" on tourist-oriented sectors of the Parisian economy.

Another variable is the degree to which business travelers have been deterred. "Attendance was down by one-third at Sicob, the office-equipment salon, and by one-fifth at the auto salon, but sales didn't suffer proportionately because most of the people who really wanted to buy, came and bought," Mr. Essig said.

But he acknowledged that overall business sales levels have not recovered fully, especially where foreigners are concerned.

In some cases, the formalities of French anti-terrorism are daunting. On the TGV bullet train, police search passengers' luggage and, if a suitcase cannot be identified, the train is stopped and the bag hauled out along the tracks until it can be opened.

Recently at a Paris airport, a reporter waiting for a delayed flight saw five bags destroyed by police-run robots because their owners failed to respond to announcements asking them to identify their luggage. New visa requirements have resulted in long lines at immigration desks.

In the long run, France's new defenses may help the country by making it safer, said Mr.

Reid of Pan American. But the new defenses are costly.

Refusing to divulge figures or costs for extra police work, the Interior Ministry simply confirmed that all police leave was canceled for six weeks while the authorities tried to capture the bombers in Paris in September and then prepared the heavy security for the visit of the pope to Lyon in October.

But the budget of the Interior Ministry, which in France controls most of the police units, will rise 6.5 percent next year. In a period of budget austerity, the Interior Ministry and the Defense Ministry, which controls the other security units, were the only ministries to avoid cuts and get increases.

For two months, 12 companies of paramilitary riot police have been re-assigned to Paris to reinforce security there, and army units have been deployed in airports and along highways to tighten surveillance.

JOSEPH FITCHETT is the diplomatic correspondent for the International Herald Tribune.

Entrepreneurs Gain New Prestige, Power

By Ronald Katz

PARIS — At the National Agency for the Creation of Businesses, the telephone rings incessantly. The ANCE, as it is called, was set up in 1979 with government backing to counsel would-be entrepreneurs.

Now, harried counselors in the central Paris office see 180 clients a day (19,000 over the last year), advising them on matters ranging from how to present themselves to prospective backers to the drawing up of market surveys.

"The interest in business start-ups has quickened in France," said Christian Chamallard, an ANCE spokesman.

France's new flirtation with entrepreneurship results from several factors: a flurry of legislation designed to encourage the creation of new firms; the emergence of self-made millionaires, such as Bernard Tapie, who have changed the negative image of the entrepreneur in France, and a rise in unemployment to nearly 11 percent of the labor force.

There has also been a spillover from Reaganomics, which has convinced politicians of the left and right that the entrepreneurial ethic, with its reliance on risk-taking and innovation, can be the tonic to revive a stagnant economy.

The previous Socialist government, which initially focused on sustaining larger, existing firms, did a turnaround in 1983-1984 and passed several laws to encourage smaller enterprises. Among the more notable was a measure eliminating taxes on the profits of industrial firms during their first three years of operation.

Another new law allows employees having three years of seniority to take a sabbatical leave for a year and in some cases up to two years, with their former jobs guaranteed, if they intend to start up a new firm. Still another permits unemployed workers to draw up to six months of their unemployment benefits in advance and to use those funds as investment or collateral in starting their own ventures.

The Socialist's initiatives were reinforced by the conservative government of Jacques Chirac when it took power in March. After a bitter fight, the right pushed through a law removing the requirement that companies first receive government approval before laying off workers. France was the only Western country to impose such requirements, which were widely seen as stifling hiring and innovation.

Minister of Finance, Economics and Privatization Edouard Balladur also canceled social charges for employers hiring workers, aged 16-25. But despite the political consensus in favor

of enterprise creation, the outlook for small business remains mixed. Bureaucratic and financial barriers, and a lingering cultural bias, create a gulf between government policies and their practical application.

During one of his television shows, Mr. Tapie, the flamboyant entrepreneur who specializes in turning around failing firms, pointed to a mound of documents needed to start a business in France, the number needed, he said, to get started in the United States.

The government has tried to prod the bureaucracy with a December 1984 law requiring the clerk of the Commerce Court to respond within 15 days to any demand to register a new firm. But some observers doubt the measure's effectiveness. "I don't think it's filtered down to the bureaucrats that they are supposed to expedite forms," said Sergio Arzeni, a specialist in innovation at the Organization for Economic Cooperation and Development.

But the biggest impediment to start-ups is the difficulty in finding finance. On paper, the government cannot be faulted for a failure to provide incentives. Private venture capital companies in France are exempt from corporate tax on income and net capital gains on the shares of nonquoted companies they hold. In shares of nonquoted companies, or SIFs as they are known in France, which promote research and new inventions, have a special depreciation allowance of 50 percent.

However, the concept of risk has not yet been fully developed by French venture capital companies, many of which invest the bulk of their funds in existing firms where there is a good chance of an immediate return on investment. Sofinova, France's largest venture capital company, invests only 20 percent of its liquid capital in start-ups and will not consider lending to a new business having capital of less than a million francs (\$150,000).

In addition, the procedures for obtaining finance can be lengthy and dispiriting. Do-siecs can be held by the banks for months; revised forecasts can be repeatedly demanded.

Christiane de Froberville, an entrepreneur who spent 18 months raising finance for a studio to produce animated cartoons in the Pas de Calais, said: "Most French banks are not set up to take risks, no matter what the government says."

RONALD KATZ, who works at the economics secretariat of the International Chamber of Commerce in Paris, writes on business issues for several publications.

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In the long run, France's new defenses may help the country by making it safer, said Mr.

Pompidou Heritage

PARIS — On the mantelpiece of Edouard Balladur's office is a photo of the man who not only provided him the first key job in government, but profoundly influenced his life: Georges Pompidou, the former prime minister who succeeded Charles de Gaulle as president in 1969.

A similar portrait is in the office of Jacques Chirac, the current prime minister, and in those of half a dozen other members of his government, who also worked for Pompidou and were greatly influenced by him and his style. The photos are but the visible signs of belonging to a small, elite group known as "les Pompidoliens."

Those in the group reflect some of Mr. Pompidou's personal traits, such as striving to adopt a certain reserve, calm and detachment with regard to events and political life. Above all, they are emotionally and historically tied to a man they admired perhaps even more than De Gaulle, even though most of them always display allegiance to the general's memory.

It was Mr. Pompidou who, as De Gaulle's prime minister, brought together Mr. Balladur and Mr. Chirac during one of



Prime Minister Georges Pompidou, center, with two of his key advisers, Edouard Balladur, left, and Jacques Chirac, in 1968.

the most explosive periods of French post-war history — the student revolt and general strike of May 1968.

During that period, L'Express magazine recalled in a recent profile of Mr. Balladur, "the future president [Pompidou] turned for support to two pillars — his adviser for social affairs, Edouard Balladur, and his then state secretary for employment, Jacques Chirac. The trio was formed."

"Being a Pompidolien is difficult to describe, but we all were greatly influenced by him," said Denis Baudouin, who was Pompidou's director of information at the Ely-

see Palace in the early 1970s and who is currently Mr. Chirac's spokesman.

"We were drawn by Pompidou's calm, forceful approach, his quality to synthesize and avoid dramatization; that, perhaps more than any other factor, characterizes us," added Mr. Baudouin.

"From the beginning of this government, Balladur has been a kind of mentor for Jacques Chirac," said one of the Pompidoliens. "The point is that Balladur projects something of a strong, father image, the same way Pompidou did for many of us in the 1960s."

Axel Krause

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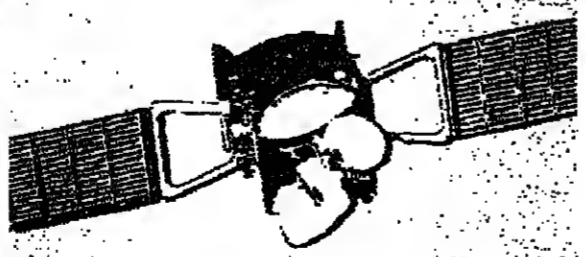
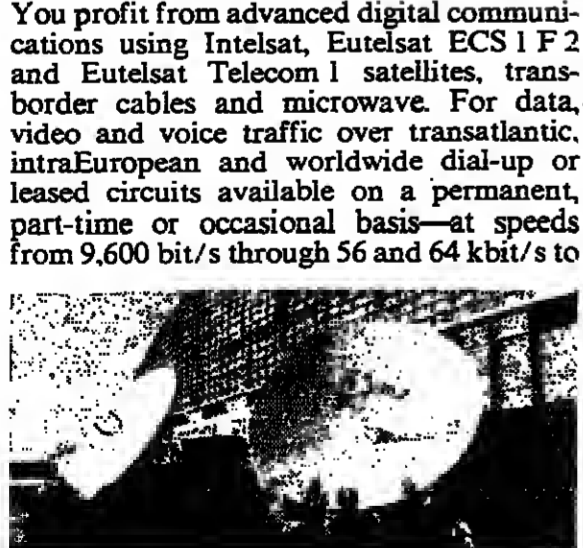
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Stakes Are High for Chirac, Balladur

Continued from page 7

ministers when speaking in private, concede that reforms carried out since the March 16 parliamentary elections have moved in the right direction, continuing earlier policies.

Yet, he also firmly believes that Valéry Giscard d'Estaing lost the presidential election to François Mitterrand in 1981 because of his failure to resolve unemployment. Largely for the same reason, Mr. Mitterrand's Socialist Party lost the March elections and pledges by Mr. Chirac that his proposed changes would bring growth.

What is needed, Mr. Alphonse says, is "a genuine leap forward," particularly in greatly easing fiscal policy. He believes this is essential if France is to avoid being outdistanced by West Germany, its largest trade partner.

The International Monetary Fund, in a confidential report, has also raised some pointed questions about the government's program, but concludes that it is on the right track.

Published in September, the report generally gave the government high marks, noting, for example, that the impact of a moderate franc devaluation within the EMS earlier this year will only "reach its height in 1987," thus dampening any need for another devaluation soon.

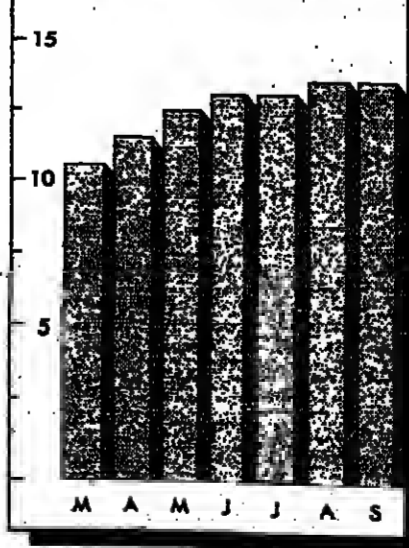
The report warned about structural weaknesses in French industry, however, notably in the export sector, and forecast a slowdown in the economy's overall rate of expansion next year.

The IMF also praised the government for removing exchange controls but noted that the administrative structure for controls has not been dismantled.

Nevertheless, the IMF urged that current policies be continued, a conclusion Mr. Balladur described as "good" and "encouraging." He said that leftist opposition leaders, among others, lack firm, alternative strategies, particularly with regard to lowering unemployment. "They really are quite moderate in their criticism, don't you think?" he said.

Based on forecast reports and conversations with bankers, economists, diplomats and political leaders in France and abroad, the following economic picture emerges: France is expe-

Unemployment (as percentage of workforce)



riencing very moderate expansion, just over 2 percent in GDP growth, roughly double last year's virtually stagnant rate of 1.1 percent. GDP measures a nation's total output of goods and services, but excludes foreign investment flows.

Few of those interviewed, however, said they believed that France could achieve the government's goal of 2.8 percent GDP growth next year. The IMF forecasts 2.2 percent growth in 1987. Five out of six private forecasting groups, recently surveyed by Le Figaro newspaper, also were below government estimates. The European Community Commission recently projected 2.5-percent growth, placing France slightly below the EC average.

The dilemma for Mr. Balladur is that to make a dent in the high unemployment level, a growth rate of at least 3 percent is needed. But the jobless level, at about 2.5 million people, is

not receding, even though, as Mr. Balladur notes, job creation is under way in many sectors of the economy.

Most forecasts agree that France's unemployment rate of 10.5 percent will remain at that level, or rise slightly next year, while, as Mr. Alphonse and others note, unemployment is expected to decline next year in West Germany, Italy, the Netherlands, Spain, Portugal and Ireland.

There are brighter spots. The 12-month inflation rate, compared with a year ago, is at just under 2 percent, the lowest level in more than two decades. Most observers, including the IMF, expect a trade surplus this year of between 5 billion francs (\$757 million) and 7 billion francs, and moderate investment growth of around 3 percent this year, compared with 2 percent last year.

Denationalization of three state-owned groups is proceeding on schedule, and others will be named shortly.

"Everyone wants to be privatized," Mr. Balladur said, commenting on requests by the remaining 62 companies, banks and insurance groups that await privatization.

A more cautious assessment, reflecting widespread opinion in the international investment community, was contained in a confidential memorandum prepared by a senior Western diplomat based in Paris who follows the economy closely. "One should be cautious in concluding that France is a fundamentally changed country," he said.

"It is too early to do more than cheer the French for their good start, because this country is only now stepping beyond the postwar era. But I believe it would be difficult to identify much deep political commitment by the population for a major change in the institutions, and surely not yet by the unproven, free-market-oriented right," he said.

Mr. Balladur was decidedly noncommittal when asked what might happen if the conservatives win the next national elections, and specifically, whether his reforms might be significantly accelerated. The government is doing all in its power to provide the conditions for growth, he emphasized. "I prefer to limit my comments to that, at this point."

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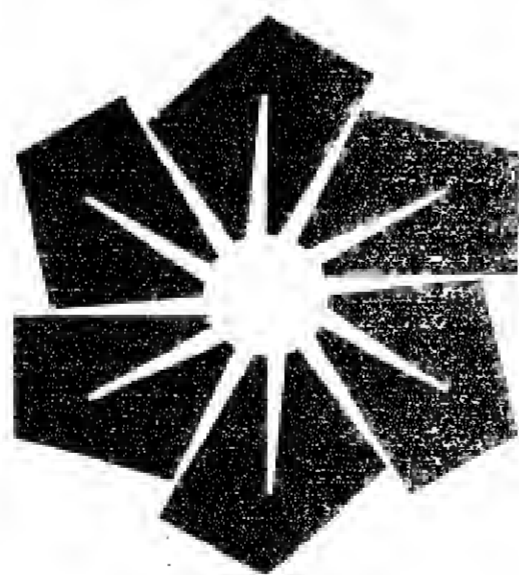
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Brazil Vote Backs Left Of Ruling Coalition

By Juan De Onis
Special to the Herald Tribune
RIO DE JANEIRO — The moderate leftist majority in President José Sarney's governing coalition has scored a major victory in elections for a new Congress and for state governorships in Brazil.

In the first nationwide direct elections since 21 years of military rule ended last year, the voters appeared to heavily favor candidates of the Brazilian Democratic Movement Party. This was the major opposition party during the years of military government.

[According to projections based on partial returns, the Democratic Movement Party was winning absolute majorities in the Senate and Chamber of Deputies, the two houses of the Congress, Reuters reported.]

[The early results also showed that the party's gubernatorial candidates seemed assured of victory in 17 states, while opinion polls of voters indicated that the other six could go to the Democratic Movement Party, the rightist Social Democrats or the Liberal Front, a breakaway group of Social Democrats that split with the party two years ago to form an alliance with the Democratic Movement Party.]

Senator Severo Gomes, a leader of the Democratic Movement Party, said the vote indicated popular support for more social investments, including land redistribution, and for a tough line by Brazil in negotiations with its foreign creditors on refinancing \$100 billion in foreign debt.

Early returns showed the party winning a major victory in São Paulo, Brazil's largest and most industrialized state. Orestes Quercia, its candidate for governor, and both Democratic Movement Party candidates for senate seats were far ahead.

The losers in São Paulo were Paulo Salim Maluf, a symbol of the right and former governor of the state under the military, who lost the 1985 presidential election to Tancredino Neves of the Democratic Movement Party. Also defeated in São Paulo was the candidate of the leftist Workers' Party, Edmario Suplicy.

The Liberal Front, a minority partner in the governing coalition, suffered a serious defeat in Bahia, where Antônio Carlos Magalhães, minister of communications, lost his dominance over the political parties in that important state.



President Ronald Reagan welcoming Prime Minister Margaret Thatcher of Britain at Camp David, Maryland.

ARMS: Reagan, Thatcher Agree

(Continued from Page 1)

Maryland, without even a note taken present. They also had a working lunch with their aides present before she returned to Washington.

She opened her news conference by saying that she and Mr. Reagan had agreed that in the post-Reykjavik arms-control talks, priority should be given to these issues:

- An agreement on medium-range missiles with restraints as well on shorter range systems.
- A 50-percent cut over five years in American and Soviet strategic offensive weapons.
- A ban on chemical weapons.

In Iceland, as part of a sweeping package that was not in the end achieved, the United States and Soviet Union agreed that each side would have a total of only 100 warheads on medium-range missiles with the Soviet force deployed in Asia and the American force in the United States. All the medium-range missiles would be banned from Europe.

The most controversial arrangement that was discussed in Iceland had two parts. The first was an accord by the two sides to cut their strategic offensive forces across the board by 50 percent, with each keeping 6,000 warheads and 1,600 launchers.

The second part, dealing with the

KIDNAP: Manila Abduction

(Continued from Page 1)

ing her visit. They cited this success as an indication that the tensions in Manila were not affecting the image of the government among foreign leaders or investors.

On the day of the president's return, the mutilated body of a leading leftist politician and trade union leader, Rolando Olalia, was discovered along with that of his driver, heightening tensions.

Manila had been swept during Mrs. Aquino's absence by reports that officers close to Defense Minister Juan Ponce Enrile had planned a coup.

Mr. Olalia's labor union, the May First Movement, blamed the military for his killing and announced Saturday that it was planning a general strike on Monday by its members, estimated at 500,000.

Other leftist groups said they would join the "national day of indignation," and a mass funeral was planned for Thursday.

There was no indication of a connection between the killing of Mr. Olalia and the kidnapping of Mr. Wakaqi. But both incidents added to the instability.

A presidential task force investigating the killing, including 21 separate teams, said Saturday that it had found "significant leads."

A statement issued by Justice Minister Neptali Gonzales, who is coordinating the inquiry, said that investigators had recovered bullets at the sites of the killings of Mr. Olalia and his driver, Leonor Alayay, and were "backtracking" their movements before their abduction.

Mr. Gonzales said witnesses reported that armed men with two-way radios had been stationed near Mr. Olalia's house in two cars and one motorcycle for three days before the killing.

At a news conference on Saturday, leaders of the trade union said that together with Mr. Olalia's political party, the Party of the Nation, it planned to mobilize more than two million people for its general strike in Manila and some other areas.

The political affairs minister, Antonio V. Cuenco, said a general strike would paralyze transportation and set back efforts at economic recovery.

Blas F. Ople, a conservative politician who was minister of labor in the former government, said that a prolonged general strike aimed at paralyzing the economy "would quickly shift the balance of power from the civilian government to the armed forces."

A union official, Crispin Beltran, said the union was demanding a thorough investigation, punishment of those implicated in the killing and reform of the armed forces.

IRAN: More Arms Shipments Unnecessary, Shultz Says

(Continued from Page 1)

firmed" that it was not "the right thing for governments to trade arms or anything else for hostages, just because it encourages taking more."

U.S. policy against trading arms with terrorist nations remained in place, he said.

Asked if there would be more arms shipments to Iran, "either directly by our government or through any third parties," Mr. Shultz replied: "It's certainly against our policy."

Pressed for a more direct answer, he said, "We gave a signal and the signal has been given, and, as far as I'm concerned, I don't see any need for further signals."

Joint Chiefs Surprised
George C. Wilson of The Washington Post reported from Washington.

The Joint Chiefs of Staff had "zero knowledge" of President Reagan's secret shipments of arms to Iran, according to officials.

Admiral William J. Crowe Jr., chairman of the Joint Chiefs, was so astonished when he heard about the deal through news reports that he ordered his top staff officers questioned to determine whether one of them had known about it and neglected to inform him, officials said Saturday.

The internal inquiry, they said, revealed that neither Admiral Crowe nor his deputies had been informed by Mr. Reagan, Mr. Weinberger or Admiral Poindexter.

Mr. Weinberger, his aides said, opposed the arms plan but apparently did not inform Admiral Crowe of its existence.

Asked how U.S. weapons and spare parts could be flown to Iran without the knowledge of the Joint Chiefs, one military official said the White House asked the armed services to provide transport for various items hundreds of times each year.

"We don't ask why when directed to take something from Point A to Point B," said a military official, "and wouldn't necessarily know what we were carrying."

Failure to inform the Joint Chiefs follows a pattern of extreme secrecy in which the White House attempted to withhold news of the Iran operation from Congress and from many persons within the administration.

Mr. Casey was ordered by President Reagan in mid-January not to tell the congressional intelligence committees of the operation, according to sources, and the president gave only scant information to cabinet officers, including Mr. Shultz.

On Friday, Mr. Shultz issued an unusual statement saying he "was not directly involved, although he

MANAGUA: Hasenfus Guilty

(Continued from Page 1)

question and then said he would appeal.

"It is very clear that the defendant was fully aware of what he was doing," the three-judge panel said. It found that the rebel groups, especially the Nicaraguan Democratic Force, which Mr. Hasenfus was apparently helping, were "supplied, directed and financed by the current government of the United States."

In their decision, the judges said it had been "fully proven" that Mr. Hasenfus was associated with the Central Intelligence Agency. Mr. Hasenfus had appeared to make that admission in statements soon after his capture, but at his trial he denied ties to any U.S. agency.

The prosecutor, Justice Minister Rodrigo Reyes, said during the trial that he had not been seeking to prove that Mr. Hasenfus was a CIA agent. American officials have denied that Mr. Hasenfus was working for any government agency.

The defense lawyer, Enrique Sotelo Borgen, said after the verdict was read that it "goes beyond what was alleged in court."

In their decision, the judges specifically rejected Mr. Sotelo's assertion that the People's Tribunal had been illegally constituted and had no right to try foreigners. The tribunal also said they were fully justified in banning Griffin B. Bell, former U.S. attorney general who has been working with the defense, from actively taking part.

Mr. Hasenfus had testified that the plane in which he was shot down was carrying weapons to the rebels, who are known as "contras." He said he had made at least 10 flights into Nicaragua before the Oct. 5 crash, which killed the other three men aboard the C-123 cargo plane. Mr. Bell told reporters during the trial that these statements had been "equivalent to a guilty plea."

Defense lawyers have said they hope a pardon, commutation or other arrangement might make it possible for Mr. Hasenfus to be released soon. Indications during the trial were that an American emissary might play a role in arranging the prisoner's release.

More recently, however, officials quoted in the pro-government press have suggested that processing a pardon could take several months. The official Nicaraguan press agency said in a dispatch published Thursday that President Daniel Ortega Saavedra would have to ask approval from the National Assembly before granting a pardon.

Political commentators in Managua who have followed the trial discount the possibility that the Sandinist government might agree to free Mr. Hasenfus.

JIHAD: 'Wider Steps' Are Urged

(Continued from Page 1)

at the U.S. Embassy in Beirut, had given what it described as "dangerous information" about "American tactics in hatching plots."

The statement repeated that Mr. Buckley had been "executed." The group had announced that it killed the diplomat in October 1985 in retaliation for an Israeli air attack against the headquarters of the Palestine Liberation Organization in Tunis. No body was ever recovered, but on Friday the White House chief of staff, Donald T. Regan, said the United States now believed that Mr. Buckley was dead.

Islamic Jihad said it was waiting for what it called the appropriate time to publish purported confessions by Mr. Buckley, whom it identified as "the American Central Intelligence Agency official in Lebanon."

The group said that Mr. Buckley had revealed "facts which cover volumes written with his own hand and recorded on videotape, in addition to many documents seized on him."

The information, it went on, showed that the United States "plots to dominate the region and strike at the advancing Islamic position."

Notre Dame Picks New President
New York Times Service

SOUTH BEND, Indiana — The University of Notre Dame has named the Reverend Edward A. Malloy, a specialist in ethics, as its 16th president.

Father Malloy, 45, now associate provost, is to succeed the Reverend Theodore M. Hesburgh in May. Father Hesburgh has been the university president for 35 years.

Father Malloy, who was selected Friday, obtained undergraduate and graduate degrees from Notre Dame and has a doctorate in Christian ethics from Vanderbilt University.



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2ND PRIZE 5 OUT OF 6 PLUS BONUS	10	\$443,481.60
3RD PRIZE 5 OUT OF 6	716	\$3,704.70
4TH PRIZE 4 OUT OF 6	48,817	\$139.30
5TH PRIZE 3 OUT OF 6	985,112	\$10.00
TOTAL PRIZES	1,014,756	\$17,443,226.10

*All prizes quoted in Canadian dollars
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2 12 22 32 42	2 12 22 32 42	2 12 22 32 42	2 12 22 32 42	2 12 22 32 42	2 12 22 32 42
3 13 23 33 43	3 13 23 33 43	3 13 23 33 43	3 13 23 33 43	3 13 23 33 43	3 13 23 33 43
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7 17 27 37 47	7 17 27 37 47	7 17 27 37 47	7 17 27 37 47	7 17 27 37 47	7 17 27 37 47
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Statistics Index table with columns for various market indices like S&P 500, Dow Jones, etc.

MONDAY, NOVEMBER 17, 1986

EUROBONDS

Massive Borrowing Gives Denmark a Fickle Image

By CARL GEWIRTZ

PARIS — Denmark will probably become a case study in how not to approach the international capital market. It has borrowed too often too much: 29 forsoys so far this year, on average once a week from July through September...

One syndicate manager referred to Denmark as a "prolific, unfaithful, cynical" borrower.

Last week, for the fourth time this year, it hit the market almost simultaneously in two different currencies: \$1 billion of two-year notes and \$1 billion of five-year notes. A deteriorating current-account deficit, expected to total just over \$4 billion this year...

The main concern about placing the paper was whether banks, which are the biggest buyers of Eurobonds these days, had any room within their self-imposed limits to increase their Danish exposure.

IT WAS MUCH the same story for the French franc issue, which was priced at 99 3/4 with a coupon of 8 1/2 percent. "It's the wrong name, the wrong size and the wrong time," said one banker.

As for the idea of introducing jumbo, short-dated paper, bankers agreed that the market was ripe for that. The size means that there would be an active secondary market, and the maturity conforms with the current preference of investors to keep new commitments short.

However, some voiced doubts about whether the Eurobond market was about to compete with the emerging medium-term note market in this maturity spectrum.

There was no improvement in the floating-rate-note market for issues bearing interest below the London interbank offered rate. The new issues all pegged their coupons to a Libor-plus formula...

Among the new issues, Georgia Federal Savings & Loan was well received with interest set at 3/16 point over Libor.

Oxford Acceptance, a U.S. property developer, issued \$45 million of Eurobonds.

BofA Pins Hopes on Program

Restructuring May Boost Stock

By Andrew Pollack

SAN FRANCISCO — BankAmerica Corp. says it hopes to increase the book value of its stock by more than \$3, to more than \$24 a share, through a corporate restructuring program.

The program involves selling businesses that are not essential and reducing its work force. The troubled banking concern said the moves should improve its capital levels, raising them to above the average for the largest banks in the United States.

The plan, officially announced Friday, added few details to pieces of the program that had been previously announced or disclosed.

Rather, analysts said, the statement issued Friday seemed more like BankAmerica's warning to First Interstate Bancorp, which offered to buy it for \$3.4 billion, that it wants to remain independent and has a plan to improve on its own.

First Interstate's directors are scheduled to meet on Monday to decide what to do in response to a request from BankAmerica's board that it withdraw its bid.

By taking action that might raise its book value to more than \$24 from \$21, BankAmerica could be preparing to reject First Interstate's offer if it is forced to accept or reject it.

A BankAmerica official, who asked to remain unidentified, said the company's goal would be achieved by around the middle of next year. He said the bank had identified \$10 billion in assets, both businesses and loans, that would be sold off by then.

Thomas A. Cooper, BankAmerica's president, had said last Monday would be sold in the next two quarters.



Mohan Murjani, chairman of Murjani International, "likes to go for the jugular."

Murjani Spurns the Waiting Game

With Ads, Apparel Maker Seeks Overnight Sensations

By Lisa Belkin

NEW YORK — Fashion doesn't move fast enough for Mohan Murjani. "Why should it take years for a designer to become a sensation?" he asks. "Why should a line grow slowly, when it can be big from the start?"

Mr. Murjani refuses to play that waiting game. It was Murjani International, his company, that made Gloria Vanderbilt jeans an overnight sensation and that has evolved into a \$400 million-a-year retail business. It also is Murjani that has catapulted Tommy Hilgert, the young designer, from obscurity to virtual notoriety.

And now there is Coca-Cola clothing. "Most of the people in the industry thought it was an absolutely lunatic idea, selling clothes with a soda logo," said George Lois, president of Lois Pitts Gerston Potts, Murjani's advertising firm.

Murjani International says it anticipates \$250 million in sales of Coca-Cola clothes by the end of this year. The company, which is family-owned, declines to release its sales or earnings.

Mr. Murjani contends that the lines have fared well primarily because he has not run the company like an apparel business.

The company far outstrips the industry average in the emphasis and the money it devotes to market research and advertising. "Research is very important to us," he said in a recent interview in his office in the New York garment center.

"In the packaged goods industry," he said, "they have learned the value of market research, but in apparel it is rarely done."

See MURJANI, Page 15

Analysts Praise OPEC Panel Call For \$18 Barrel

By Stuart Diamond

QUITO, Ecuador — A move by key oil exporting nations to raise petroleum prices by \$3 a barrel was lauded by industry analysts over the weekend as an attempt to stabilize the market.

Three oil ministers meeting in Quito on Friday drew up the proposal, which they said reflected the general consensus of the Organization of Petroleum Exporting Countries. The three, from a special OPEC price committee set up last month, were Sheikh Ali Khalifa al-Sabah of Kuwait, and ministers from Libya and Ecuador.

But analysts said their proposal was unlikely to succeed without sharp cuts in production.

Half a dozen oil experts in the United States said Saturday that the panel's recommendations would probably raise prices a very small amount this week.

But they said that even if, as expected, it is approved by the full OPEC group in December, the measure would not solve the fundamental problem of a world oil glut.

"It is a good plan, and if they pull it off it would have a tremendous stabilizing effect on the market," said John H. Lichtblau, president of the Petroleum Industry Research Foundation in New York.

But there will be great resistance by oil buyers.

The three OPEC ministers in Quito urged the group to return to a fixed price system. They proposed an \$18 "take it or leave it" price.

If buyers refused to take OPEC oil at \$18, they could make up the difference for a while by drawing down inventories outside OPEC and through increased production by non-OPEC suppliers.

But eventually the world would have to pay OPEC's price, the analysts said. They stressed, however, that it was unlikely that OPEC could withstand the loss in revenues for the weeks or months it might take for the glut to disappear.

"We are talking about a game of chicken," said William Quandt, Middle East oil expert at the Brookings Institution in Washington. "It would be interesting to see who cracks first — OPEC or the consumers of its oil."

He said a discipline unprecedented in OPEC's history would be required for members to resist selling below \$18 per barrel.

William L. Randol, an oil analyst at First Boston Corp., said there was "an question" that OPEC could force prices up to \$18 a barrel if members did not cheat. He said the 13-nation group had become much more disciplined after watching its price war cut prices from \$28 a barrel last December to \$7 in August before recovering to \$15.

All those interviewed thought \$18 a barrel was a fair price for oil for the next several years. It is well below the \$34 a barrel charged in 1981 and the \$28 of last year.

Bank of England Plans to Form New Division

Reuters

LONDON — The Bank of England has announced a management reorganization to allow for its formal assumption of supervision over the interbank, foreign-exchange and wholesale money markets under recently passed legislation.

It said a new division would be established to supervise these markets under Eddie George, executive director in charge of government stocks, money markets and monetary affairs. He will also be responsible for daily operations in foreign-exchange markets.

The new division will be headed by John Townend, a manager in the money-markets division.

The bank said a single executive director would thus be in charge of foreign-currency borrowing and management of the reserves.

Indonesia Arranges Loan of \$400 Million

By Carl Gewirtz

PARIS — Indonesia, hard pressed by the price decline in oil and gas, which account for about 70 percent of its export earnings, will return to the syndicated-loan market this week, paying more than it has in the recent past to borrow from banks.

In addition, lenders are also insisting that if they allocate funds to the country they want the credit to be drawn rather than used as a back-up commitment to support the sale of short-term notes, as was done a year ago.

It has been able to issue a small amount of notes, estimated at a little more than \$50 million, bearing interest just below the London interbank offered rate. Japanese banks are reportedly the largest takers of this paper.

Indonesia is paying an annual fee of 1 1/2 basis points, or 1/4 percent, for this \$400-million facility.

On the new loan, \$350 million for eight years, Indonesia will be paying at least a 1/4-percent commitment fee until it is drawn. It will have up to three years to actually use the loan. Once drawn, interest will be set at 3/4 point over Libor for the first six years and 7/4 point over Libor for the final two years.

With official reserves totalling about \$5.8 billion and unused credit facilities totalling about \$2 billion, the country will be under no immediate pressure to draw on the new credit. Eight banks are slated to organize the loan — Chase Manhattan, Chemical Bank, Manufacturers Hanover Trust, Gulf International Bank, Industrial Bank of Japan, Dai-ichi Kangyo, Mizui and Bank of Tokyo.

The biggest ever airline financing was completed last week — \$2.3 billion for British Airways to purchase 16 Boeing jumbo jets with Rolls-Royce engines. Rolls itself had arranged a loan to support its bid to win the engine contract, but that was allowed to expire when BA began its own secret-shrouded discussions to raise the money. Lenders were sworn to keep the details secret and neither National Westminster, the agent bank, nor BA would go beyond the brief statement made last week that syndication had been completed and oversubscribed by about 50 percent.

Japanese banks are reported to be supplying half the total financing, which is expected to include options for BA to issue short-term notes, seek direct bank loans or arrange leasing agreements.

May Department Stores Co., which last July arranged a \$1.5-billion credit facility in conjunction with its takeover of Associated Dry Goods Corp., has restructured the agreement after its decision to fund the purchase through the sale of equity.

The facility, being arranged by Citicorp, is divided between a \$250-million U.S. domestic working capital program and a \$500-million Euro-revolving credit facility.

The five-year Euro-facility will have a commitment fee of 7/4 basis points. Drawings will cost the company 20 basis points over Libor. If more than one-third of the total is drawn, May will pay an additional 5 basis points and if more than two-thirds is used, the utilization fee rises to 7/4 basis points.

The original facility had a commitment fee of 1/4 percent and drawings were a split 3/4-1/2 point over Libor.

Michigan National Corp., a Midwest bank holding company, is seeking a \$100-million, five-year multiple option facility under the aegis of Credit Suisse First Boston.

MNC can use this as a backup for the sale of Euro-CP or notes or as a revolving credit. It will pay an annual fee of 15 basis points and drawings on the credit will cost 20 basis points over Libor plus a utilization fee of 5 basis points if more than half the credit line is used.

Credit Suisse First Boston is also arranging a \$100-million transferable loan facility for Credipol, an Italian medium-term credit agency. Half the amount is to run for seven years and half for nine years. Interest on both is 6 1/4 basis points over Libor — a charge that many critics say is too low. Credipol will pay a commitment fee of 6 1/4 basis points on any undrawn amounts and one-time participation fees of up to 10 basis points to banks underwriting \$15 million.

The five-year facility CSFB organized to back the sale of commercial paper for First Boston, part owner of CSFB, has been increased to \$350 million from the \$300 million initially sought. The commitment fee ranges from 25 to 30 basis points, depending on how much is used, and drawing charges range from 25 to 35 basis points over Libor.

Australia and New Zealand Banking Group has appointed ANZ Merchant Bank, CSFB, Swiss Bank Corp. and S.G. Warburg to market up to \$500 million of Euro-commercial paper. Starting next month, ANZ plans to begin issuing paper with maturities between seven and 364 days in minimum denominations of \$100,000.

MCA, the U.S. entertainment and leisure industries company, appointed Salomon Brothers and Comyn NatWest Capital Markets Ltd. to market its commercial paper. No amount was specified.

Between the two of us, there's more going on in Geneva than you think.

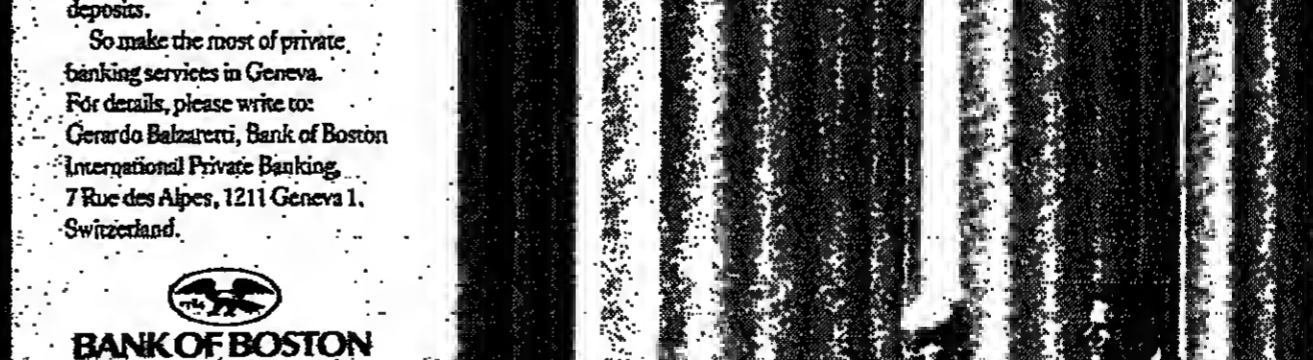
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Last Week's Markets

All figures are as of close of trading Friday

Table with columns for Stock Indices, Money Rates, and other market data.

Currency Rates

Table with columns for Cross Rates and Other Dollar Values.

To Our Readers

Beginning today, we will include a world index of stock market performance in the weekly Last Week's Markets table. This index, the Morgan Stanley Capital International World Index, uses a representative sample of economies listed on 19 major stock markets. The index is adjusted for market capitalization and the relative importance of industry groups. It is designed to represent the evolution of an unmanaged world portfolio.

International Bond Prices

Table of international bond prices including columns for Amt, Security, % Mat, Mkt Price, and Yld. Includes sub-sections for (Continued) and various international bonds.

Table of international bond prices for Sweden, Switzerland, and the United Kingdom, including columns for Amt, Security, % Mat, Mkt Price, and Yld.

Table of international bond prices for the United States, including columns for Amt, Security, % Mat, Mkt Price, and Yld.

Table of international bond prices for French Francs, including columns for Amt, Security, % Mat, Mkt Price, and Yld.

Table of international bond prices for Norwegian Kroner, including columns for Amt, Security, % Mat, Mkt Price, and Yld.

NASDAQ National List

NASDAQ National List table showing OTC consolidated trading for week ended Friday, Nov. 13. Includes columns for Amt, Security, % Mat, Mkt Price, and Yld.

Table of international bond prices for Euro-Currency Units, including columns for Amt, Security, % Mat, Mkt Price, and Yld.

Table of international bond prices for Japanese Yen, including columns for Amt, Security, % Mat, Mkt Price, and Yld.

Table of international bond prices for Pounds Sterling, including columns for Amt, Security, % Mat, Mkt Price, and Yld.

Table of international bond prices for Zero-Coupons, including columns for Amt, Security, % Mat, Mkt Price, and Yld.

Advertisement for the International Herald Tribune newspaper, featuring a photo of a person and text about the paper's global reach.

Table of international bond prices for Canadian Dollars, including columns for Amt, Security, % Mat, Mkt Price, and Yld.

Table of international bond prices for Convertible Bonds, including columns for Amt, Security, % Mat, Mkt Price, and Yld.

Table of international bond prices for Eurobonds, including columns for Amt, Security, % Mat, Mkt Price, and Yld.

Table of international bond prices for Weekly Sales, including columns for Amt, Security, % Mat, Mkt Price, and Yld.

Large advertisement for Lufthansa flights, featuring the text 'The Inflight Newspaper is available on Lufthansa flights' and the Lufthansa logo.

Table of international bond prices for Labor Rates, including columns for Amt, Security, % Mat, Mkt Price, and Yld.

Table of international bond prices for Miscellaneous, including columns for Amt, Security, % Mat, Mkt Price, and Yld.

Table of international bond prices for Miscellaneous, including columns for Amt, Security, % Mat, Mkt Price, and Yld.

Advertisement for 'Seize the world' featuring the text 'The International Herald Tribune, Bringing the World's Most Important News to the World's Most Important Audience' and a stylized globe.

NASDAQ National Market

OTC Consolidated trading for week ended Friday

Table of NASDAQ National Market data, including OTC Consolidated trading for week ended Friday. Columns include stock symbols, prices, and volume.

Table of international stock market data, including symbols, prices, and volume for various countries.

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EUROPEAN COMMUNITY

EC Commission Seeks to Slash Farm Surpluses

By Peter Maass
International Herald Tribune
BRUSSELS — The European Community's executive body and parliament proposed radical steps last week for slashing the community's farm surpluses, signaling an intensified effort to reform the Common Agricultural Policy.

most of the EC's farm stocks. The money would be amassed through emergency contributions from EC members, excluding Spain and Portugal.
The fund would underwrite cheap sales of EC commodities, which could cost nearly \$4 billion dollars to store next year, on domestic and international markets, officials said. It also would finance programs for direct give-aways and cover the destruction of some aging products in storage, they said.

A Crackdown Is Sought On Pirated Videotapes

The EC needs a "fresh impulse" in its crackdown on sales of pirated videotapes, the commissioner for culture and communication says.

Panel Sees 1,000 Deaths From Chernobyl in EC

In a report to the European Parliament, the Industry Commission said that the Chernobyl nuclear disaster would cause about 1,000 people in EC countries to die from cancer over the next 70 years.

Mr. Narjes said that a similar nuclear accident in the community would be highly unlikely, mainly because the EC's reactors are judged to be safer than those at the Soviet plant.

First EC Tennis Trophy Goes to an American

Nearly 30 years after its founding, the EC is learning to mix business and pleasure.

The first "European Community Championship" tennis tournament was held last week in Antwerp.

There had been some grumbling in commission hallways that an American-style commercialism would pervade a distinguished European institution.

The winner of the EC championship was an American, John McEnroe, and the runner-up was Miloslav Mezir of Czechoslovakia.

But the EC did score a type of moral victory. The prize money was denominated in European currency units.

Addressing EC culture ministers last week, Carlo Ripa di Meana warned that a "dangerous" outbreak of video piracy in the community had led to a serious fraud against authors, creators, artists

And the accident spread a radioactive cloud over Europe in May, damaging crops and triggering widespread concern over the effects on human health.

Given the number of cases expected, costly medical studies are not warranted, he added.

The accident spread a radioactive cloud over Europe in May, damaging crops and triggering widespread concern over the effects on human health.

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American Exchange Options

Figures as of close of trading Friday, Nov. 13

Table of American Exchange Options data, including call and put options for various stocks.

Chicago Exchange Options

Figures as of close of trading Friday, Nov. 13

Table of Chicago Exchange Options data, including call and put options for various commodities.

Treasury Bonds

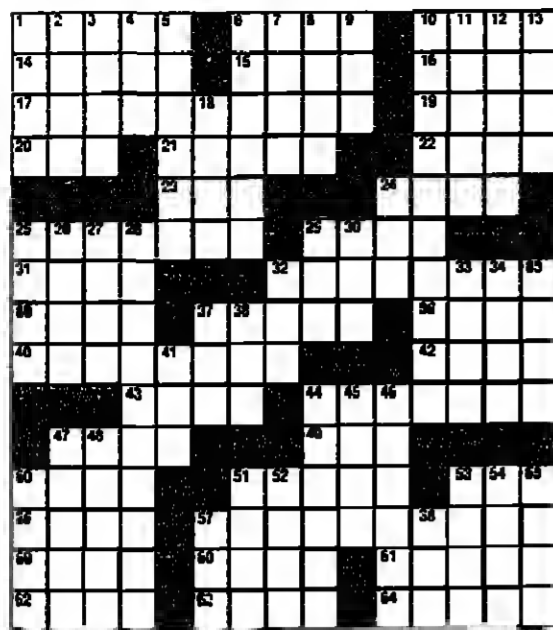
Nov. 24

Table of Treasury Bonds data, including maturity, bid, ask, and yield.

Filipino Set Debt Deadline

Agence France-Press

MANILA — The Philippines will declare a unilateral moratorium on debt payments if an advisory committee for its creditor banks fails to agree on a loan restructuring package by Jan. 1, Finance Minister Jaime Ongpin said Saturday.



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10 Clabber
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15 Sheltered on the Sargasso
16 Enjoy
17 Covered award
19 Employer
20 Posed
21 Inventor Howe
22 Essayist's pen name
23 Pub drink
24 Frank
25 Prattled
29 River in N. Ireland
31 Coin for Zeno
32 Sudanese province or stream
36 Lima's land
37 Regular winner at Reno
39 Like certain cats
40 Four-time Super Bowl winners
42 Son of Troy's founder
43 Father
44 Full to the gills
47 Nichols or Wallace
49 Mummy

DOWN

1 What sports pick-up
2 Jar
3 Sulk
4 Chemical suffix
5 Breakfast food
6 Indulged excessively
7 Where Napoleon wasn't "able"
8 Composer
9 Address number for Thatcher
10 Redact
11 Passageway
12 Length of yarn
13 Wife or sister
14 He, to Hadrian
15 Four fourths
24 Conks
26 Drill
28 Economic regulation
29 Raised RR's
30 Regret
32 Stopper in an Inge play
33 Hercules' captive
34 Yodel
35 Otherwise
37 Beatles' "And I Love..."
38 What miners might strike
41 Golf position
44 Most unusual "Paradise"
45 "Lost," e.g.
46 Her mate is "proud"
47 Wall painting
48 Furious
49 Excludes
51 Russian range
52 Revolve
53 Part of a baseball
54 Movie dog
55 Exploited laborer
57 Tout's suggestion
58 Leandro's amorosa

DENNIS THE MENACE



"THIS IS ANOTHER WAY TO SAY 'I LOVE YOU, DADDY.'"

JUMBLE THAT SCRAMBLED WORD GAME

Unscramble these four Jumbles, one letter to each square, to form four ordinary words.

RYVEN

WHISS

TURIAL

SCYTIK

Now arrange the circled letters to form the surprise answer, as suggested by the above cartoon.

ANSWER: THE

Friday's Jumbles: BIPED MOTIF GOODY FRUGAL

Answer: The policeman was advised to sleep on the edge of his bed in order to do this without delay — DROP OFF!

WEATHER

EUROPE	HIGH	LOW	ASIA	HIGH	LOW
Amsterdam	10	6	Bangkok	30	26
Antwerp	10	6	Beijing	17	12
Berlin	10	6	Calcutta	30	26
Brussels	10	6	Hankow	17	12
Copenhagen	10	6	Harbin	17	12
Dublin	10	6	Manila	30	26
Edinburgh	10	6	Seoul	17	12
Frankfurt	10	6	Singapore	30	26
Geneva	10	6	Taipei	30	26
Helsinki	10	6	Tokyo	30	26
London	10	6			
Lisbon	10	6			
Madrid	10	6			
Moscow	10	6			
Munich	10	6			
Nairobi	10	6			
Paris	10	6			
Prague	10	6			
Riyadh	10	6			
Rome	10	6			
Stockholm	10	6			
Strasbourg	10	6			
Vancouver	10	6			
Vienna	10	6			
Warsaw	10	6			
Zurich	10	6			

MIDDLE EAST

Amman 10 6
Beirut 10 6
Cairo 10 6
Damascus 10 6
Istanbul 10 6
Jerusalem 10 6
Tel Aviv 10 6

OCEANIA

Auckland 10 6
Sydney 10 6
Wellington 10 6

MONDAY'S FORECAST — CHANNEL: Choppy. FROST: Frost. MAZDA: Rain. Temp. 13-15 (35-59). NEW YORK: Partly cloudy. Temp. 11-4. PAISLEY: Partly cloudy. Temp. 11-4. PORTLAND: Partly cloudy. Temp. 11-4. RENO: Partly cloudy. Temp. 11-4. SAN FRANCISCO: Partly cloudy. Temp. 11-4. SEATTLE: Partly cloudy. Temp. 11-4. SINGAPORE: Partly cloudy. Temp. 25-31 (77-88). TOKYO: Cloudy. Temp. 15-19 (59-66).

SPORTS

3 Stars Seeking Another Season in the Sun

By Dave Anderson

NEW YORK — Pete Rose agreed to remove himself from the Cincinnati Red roster for oof, but he'll be eligible to return on May 15 at age 46.

Tom Seaver is trying to negotiate a new contract with the Boston Red Sox that will let him pitch again next season at age 42.

Reggie Jackson is now a free agent, hoping to be signed by the Yankees or the Oakland A's for next season, when he'll turn 41 in May.

Whatever Rose's decision on May 15 or thereafter, it won't be influenced by money. Whether he plays or not next season, he will collect his \$800,000 salary, al-though he plays or not in 1988, his salary will drop to \$500,000, al-though bonuses for winning the National League West, the pennant and the World Series could restore it to \$800,000.

If the Red Sox had exercised their 1987 option in Seaver's con-tract, they would have had to pay him more than \$1 million next year. Instead, they released him and he declared for free agency.

Seaver now is eligible to negoti-ate a new contract with the Red Sox for less money, which is what the Red Sox front office wants, just as John McNamara wants Seaver on the Red Sox roster in spring training.

"Tom has a place here," the Red Sox manager said during the World Series. "He can still pitch."

Seaver also "I want to play next year, definitely."

Over the last three months of the season Seaver pitched better than his 5-7 record for the Red Sox after a shaky 2-6 start with the Chicago White Sox. But a damaged right knee that recently required arthroscopic surgery kept him off the Red Sox postseason roster. What the Red Sox will never know is: Would they have won the fourth game of the World Series for a 3-1 lead over the Mets if Seaver had started in- stead of Al Nipper?

During the last two Series games at Shea Stadium, the right hander once considered to be the Met "franchise" sat helplessly above the steps at the far end of the Red Sox dugout.

Jackson was almost as help- less during the American League cham- pionship series, although he was the California Angel cleanup hitter. But he batted only .192 with four singles and one double. With the Angels trailing, 8-1, in the eighth inning of the last game, Mr. Oc- tober made what could have been his last stand. His face clenched with the awareness that he might not ever swing again, he was struck out by Calvin Schiraldi, swinging as only he can.

"My next-to-last at-bat," he said, "should be a strikeout or maybe a pop-up to right field so the people can say, 'Reggie just missed that one,' but my last at-bat, that's the easiest guess in the whole world."

What else but a home run? Even though he hit 18 homers this year, will the Yankees or the A's or some other team grant him the opportu- nity to go out that way?

"Ted Williams did it the right way," he said. "I've seen film of him hitting that home run in Bos- ton, and that was it. He waved when he crossed home plate."

Teddy Ballgame hit 29 homers and batted 316 his last season, 1960, when he turned 42 in August after having hit only 10 homers and 254 the year before. Stan Musial batted 330 with 19 homers at age 41 in 1962 after having batted 235 the year before. Among the older pitchers, Warren Spahn had a 23-7 record with a 2.60 earned-run average at age 42 in 1963 after having slipped to 18-14 the year before.

Now, a quarter of a century later, Rose, Seaver and Jackson hope to do what Williams, Musial and Spahn did — have another good year when most other people were thinking they should be waking up to the first day of the rest of their lives.



Seaver: "He can still pitch."

SPORTS BRIEFS

Long Shot Takes Washington International

LAUREL, Maryland (AP) — Lieutenant's Lark, the second-longest shot in the field, won the 35th Washington, D.C. International Saturday on yielding turf at Laurel Race Course.

It was the biggest upset in the history of the race. The colt paid \$76.60, surpassing the \$64 mutuel paid when Admetus won in 1974.

Brought in from Santa Anita after a dull ninth-place finish in the Breeders' Cup Mile, Lieutenant's Lark raced in front virtually all the way and won by a neck over the fast-closing Dance Of Life.

Then came favored Palace Music, Double Bed, Teleprompter, Southjet, Premier Mister, Korab, Royal Treasurer, Wollaston and Derby Wish. The morning line favorite, Broad Brush, was scratched Saturday morning.

Davis Wins Australian Open on Closing 68

MELBOURNE (UPI) — Rodger Davis shot a four-under-par 68 to win the Australian Open golf tournament on the final hole here Sunday. Davis beat fellow Australians Ian Baker-Finch, Graham Marsh and Bob Shearer by a stroke.

Baker-Finch, the leader through the first three rounds, bogeyed the 16th hole, double-bogeyed the 17th and had a 60-foot (18.24-meter) putt on the 18th for a chance to tie. His putt drifted wide. Shearer also missed a final-hole putt that would have tied Davis; Marsh bogeyed Nos. 17 and 18.

Two World Weightlifting Records Are Set

SOFIA (AP) — Heavyweight Nica Vlad of Romania set a world record for the snatch, 250.38 kilograms (552 pounds), at the world weightlifting championships here Friday night. Overall, Vlad lifted 442.26 kilos.

On Saturday, Yuri Zaharevich of the Soviet Union lifted a total of 449 kilos for a combined world heavyweight record.

New Agreement Keeps Mets in Same Hands

NEW YORK (AP) — Doubleday & Co. signed an agreement late Friday to sell its 95 percent share of the New York Mets to a newly created firm controlled by Nelson Doubleday and Fred Wilpon for \$80.75 million.

Doubleday had owned 95 percent of the Mets and Wilpon 5 percent; they will evenly split their majority share of the club. The new arrangement keeps the team from becoming part of the property of Bertelsmann AG, the West German publishing house that recently purchased Doubleday & Co. The sale must be approved by the American and National Leagues, and by the baseball commission- er's office.

Quotable

• Martina Navratilova, when asked whether she had ever given any tips to 16-year-old Gabriela Sabatini: "Mike Ditka doesn't tell Tom Landry how to beat the Bears." (LAT)

PEANUTS



BLONDIE



BEETLE BAILEY



ANDY CAPP



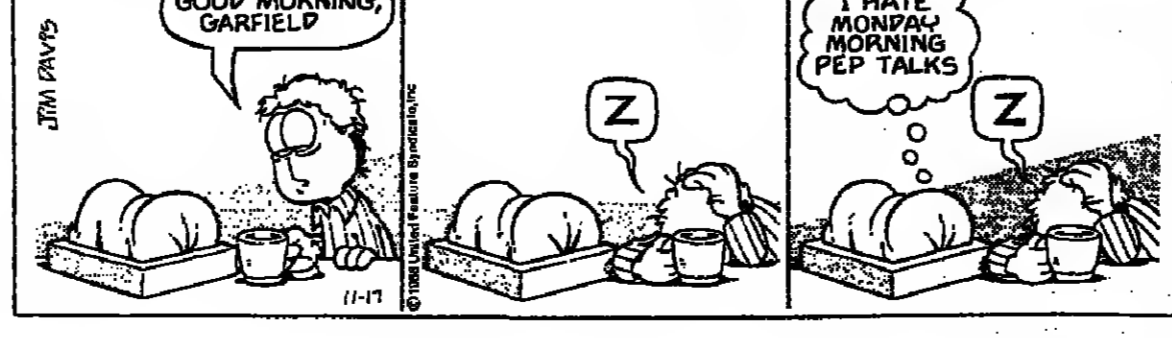
WIZARD of ID



REX MORGAN



GARFIELD



BOOKS

MACHINERY OF THE MIND:

Inside the New Science of Artificial Intelligence

By George Johnson. 336 pages. \$19.95. Times Books, 130 Fifth Avenue, New York, N. Y. 10011.

Reviewed by Jerry Pournelle and Barbara Clifford

ARTIFICIAL intelligence, or AI, is a major in-group concept, but few know what it is. George Johnson's "Machinery of the Mind" tells what AI is — and is not — and makes it interesting. The book is the best general survey we have yet encountered. Flawed only at the end by a couple of pages of gratuitous and irrelevant conclusions about AI and defense.

Any look at AI must begin with the fundamen- tal fact that it is neither new nor a science. AI is a flashy name for a grab bag of engineer- ing disciplines whose common feature is a heavy reliance on advanced mathematics and the architecture of computers. Despite the sub- title, "Inside the New Science of Artificial In- telligence," Johnson knows this. He describes work that ranges from early automated lan- guage translation attempts through visual-recognition experiments to expert systems.

Despite its lack of unity, AI is important: Look at the money it gets. In university, gov- ernment and private laboratories there are ma- jor projects in all the disciplines under the AI umbrella: vision, speech recognition, robotics, knowledge representation, computer architec- ture, even art and music. Some produce such results as factory machines that "see," sort parts and inspect finished goods. "Expert sys- tems" help doctors make diagnoses and pros- pectors find oil. Computer programs that can modify themselves outdo humans in contests of analytical skill.

As one researcher says, AI is "the crant stepson — come home to take over the fam- ily business." With legitimacy (if not quite respectability) achieved, founding figures such as Marvin Minsky of the Massachusetts Insti- tute of Technology and John McCarthy of Stanford University can continue laying the philosophical foundations that will let the term "AI" retreat into its proper place in computer science, leaving the stepchild disciplines to make their own way in the world.

This will not settle the fundamental dis- agreements among AI scientists. Should we try to fit human knowledge into computers? Will reductionism yield more useful results than holistic methods? Which comes first — theory or application? Understandably, John- son leaves these questions open, as he does many of the arguments he describes.

Not that he lays any claim to being analyti- cal. Through interviews and anecdotes he sim- ply reports the events that have shaped and are shaping the various fields of AI. He has done his homework, and gives readers the back- ground needed to discuss the subject knowl- edgeably. Johnson's style is easygoing and un- condescending; his examples and similes are apt and easy to grasp.

He describes well and entertainingly what is being done under the name AI. What neither he or anyone else can do is answer the ques- tions: Can a computer program — a non-sapient formal construct, a system for manipu- lating symbols — be aware of itself? Can a set of instructions for executing over really know what it is doing? Although AI researchers are divided on these questions, there is value in their squabbles.

The benefit of AI research ultimately may be that it helps us find out more about the work- ings of the human brain. In that sense, the phrase "machinery of the mind" begs an im- portant question.

For as long as people have been thinking about the brain, they have described it in terms of the latest technology. Aristotle did it; Des- cartes did it. Now, while Minsky views mind and intelligence as a series of tiny subpro- grams, neuroscientists such as Eric Schwartz at New York University see the brain as a net- work of discrete functional structures — tens of hundreds of layers of interconnected infor- mation maps.

It is an important distinction that leads to the question: Does structure govern function? And that in turn leads to the major scientific question that lies at the heart of AI research: Can "intelligence" be independent of the hard- ware on which it runs? Must we duplicate the human brain, or are there "laws of thought" that can be programmed in a computer?

AI is important beyond science because it raises questions that resonate in the human spirit. If we can create intelligence, what cre- ated us? Hardly new questions, but AI and its extensions may bring us closer to answers than we've ever been.

If intelligence is an analyzable series of ac- tions, then we should be able to re-create it by replicating these actions. The paleontologist and author Stephen Jay Gould would place man not far above the cockroaches, but don't cre- atures who can themselves create intelli- gence belong far higher than that? Some theo- logians speculate that God intended humans to be co-creators of the universe. We may, finally, be learning how.

Solution to Friday's Puzzle

ERB	TREATS	CPS
LOO	WALLET	AILS
RUNLICKET	YSPLIT	
OTIOSE	CHLORATE	
PETIT	ELISHA	
ORATES	RETESTED	
ERASER	ERY	
FIRSTNIGHTERS		
CAN	ASSORT	
ASTRANGE	DIODES	
STEEL	SWINE	
UNREMITTED	LEANON	
LEADAMERRY	CHASE	
ASCE	ERNEST	HIC
STD	NOISES	SSA

11/15/86

BRIDGE

By Alan Truscott

ONE of the higher arts of defensive play is the crea- tion of problems for the declarer. If he seems to be rolling home in his contract, a defend- er who can give him something to think about often deserves applause.

A case in point is the dia- grammed deal. South has maxi- mum values for his overall of- one spade, and takes a shot at game when his partner raises.

Three rounds of clubs are led and South ruffs the third round with the nine. He is a little nervous until West fol- lows suit, a worry he would not have if East-West were using the modern style of leading small form three small cards.

It might seem that the play is now routine. With plenty of entries to the dummy, South simply needs to lead trumps

twice toward his hand. He knows from the bidding that the ace is on his right.

This would be so at 99 tables out of 100, but at the 100th table East does something odd. When dummy is entered with a diamond lead and a trump is played, East puts up the ace and plays a fourth round of clubs. Now South has to worry frantically about the trump jack.

He can, and should, post- pone the issue by ruffing with a high trump. He can then cross to dummy with a heart lead to the queen in order to lead another trump.

When East follows low, South has to scratch his head, looking suspiciously at East. Has he made a strange second- hand high play with A-5? He might have done either, trad- ing on the fact that West can

hardly hold the king or queen of spades.

South is left miserably guessing. If he guesses wrong, the contract fails and East-West must conceal their de- light. Even if he guesses right, East is awarded a gold star for effort.

NORTH

AKQ7
KQJ
AK106

EAST (O)

AJ5
1083
AKQ93

SOUTH

KQ1092
AK5
A103

WEST

KQ7
AK5
AKQ93

Neither side was vulnerable. The bidding: N: 1♠ — 2♣ — 3♣ — 4♣ — 5♣ — 6♣ — 7♣ — 8♣ — 9♣ — 10♣ — 11♣ — 12♣ — 13♣ — 14♣ — 15♣ — 16♣ — 17♣ — 18♣ — 19♣ — 20♣ — 21♣ — 22♣ — 23♣ — 24♣ — 25♣ — 26♣ — 27♣ — 28♣ — 29♣ — 30♣ — 31♣ — 32♣ — 33♣ — 34♣ — 35♣ — 36♣ — 37♣ — 38♣ — 39♣ — 40♣ — 41♣ — 42♣ — 43♣ — 44♣ — 45♣ — 46♣ — 47♣ — 48♣ — 49♣ — 50♣ — 51♣ — 52♣ — 53♣ — 54♣ — 55♣ — 56♣ — 57♣ — 58♣ — 59♣ — 60♣ — 61♣ — 62♣ — 63♣ — 64♣ — 65♣ — 66♣ — 67♣ — 68♣ — 69♣ — 70♣ — 71♣ — 72♣ — 73♣ — 74♣ — 75♣ — 76♣ — 77♣ — 78♣ — 79♣ — 80♣ — 81♣ — 82♣ — 83♣ — 84♣ — 85♣ — 86♣ — 87♣ — 88♣ — 89♣ — 90♣ — 91♣ — 92♣ — 93♣ — 94♣ — 95♣ — 96♣ — 97♣ — 98♣ — 99♣ — 100♣.

SPORTS

Kookaburra III Edged By Australia IV After 2d Cup Collision in 2 Days

By Ruth Youngblood United Press International

FREMANTLE, Australia — Kookaburra III, which is leading in the yacht-racing series that will select a yacht to defend the America's Cup, and place Australia IV on course Sunday after a 2d collision in 2 days.

AMERICA'S CUP

sensors into the sea, snatched her backstay and bent the top of her mast. The race continued with Australia IV the winner by two seconds, the third-closest margin in 135 years of cup racing.

It was the second time in two days that competing yachts had swerved into each other. Steak's Kidney sliced into South Australia's port side Saturday, causing considerable damage to both boats.

Kookaburra III skipper Ian Murray said that "if we get a statement of responsibility and reimbursement for costs involved, we'll call it a day." He estimated the damage at "thousands of dollars," adding that "the sophisticated electronic sensors fell into the water and our shipboard computer may be short-circuited. It brings you back to sailing off the seat of your pants."

Referring to the green flag with a yellow kangaroo flown by Australia IV, Murray said, "The boxing kangaroo got hold of the backstay and tugged pretty hard on it."

The narrow victory put the Australia IV camp in a jubilant mood, since the boat it is coming on to win the right to defend the cup, which Alan Bond won from the United States in 1983, evened the score with Kookaburra III at two triumphs each. Australia IV skipper Colin Beashel said, "We went out to win and came back winners."

Murray got Kookaburra III off to a four-second lead at the start, but could increase it to only 10 seconds on the first lap. On the second lap, the two boats as far apart as they were to get during the race.

Beashel regained five seconds on the first reach and trimmed Murray's advantage to eight seconds on the next. When Murray tacked to starboard on the sixth leg, it enabled Beashel to slip inside and sail 21 seconds ahead.

The Kookaburra III skipper regained nine seconds on the seventh stretch, then began a fierce tacking duel on the way home. Beashel executed one last tack within feet of the finish line to hold off Murray and win the race.

Kookaburra III (15-2) maintained her hold on first place with 21 points, but Australia IV (13-4) now has 18 points in the second round of racing to determine the defending boat.

Sunday's results were provisional until the international jury overseeing the contest decided which boat was at fault in the collision.

Earlier, White Crusader of Great Britain had defeated Canada II by 0:02.20, for the smallest winning margin in cup history. Two special victories were recorded in 1934 and 1964, and there was another two-second victory in this series when Kookaburra III beat Kookaburra II.

In another race sailed in 12-knot southwesterlies blowing across choppy seas, the battered South Australia lost by 1:42 to Australia III, the 12-meter world champion that also belongs to Bond. Eastern Australia's Steak's Kidney, with a hurriedly fitted new bow, fared even worse, receiving a 2:54 thrashing from Kookaburra III.

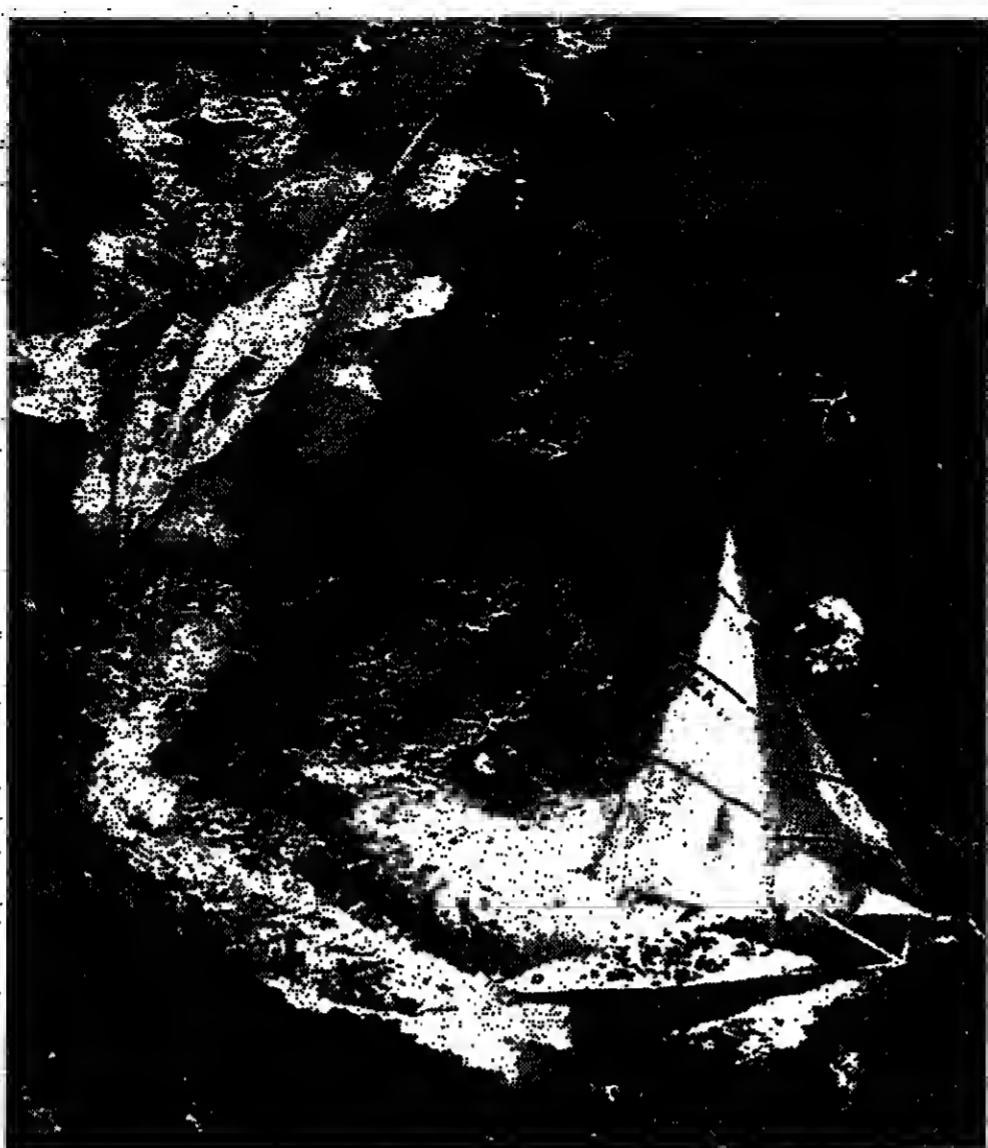
South Australia's crew had worked through the night to patch up the damage caused Saturday by Steak's Kidney's sharp bow. Phil Thompson, who had been thrown overboard by the impact and sailed over by Steak's Kidney, was back at the helm of South Australia.

South Australia had rounded the first windward mark on Saturday holding a 1:40 lead, with Steak's Kidney headed to the buoy, when the collision occurred.

"I ended up in the water and went under their boat," said Thompson, who was rescued by a tender after suffering minor cuts and abrasions.

He said that what Steak's Kidney "did was extremely dangerous. They limped us, that's the yachting term. It was a totally unfair fouling, not within the rules."

But Beashel noted that South Australia had violated a basic right-of-way rule that says that when two boats are on starboard tacks, the boat on the windward side must give way to the other. The race jury scheduled a meeting to determine blame.



Kookaburra III, leading Kookaburra II at the weather mark, won by four seconds Saturday.

Steak's Kidney's bow was sliced open on the starboard side, but she limped around all eight legs of the 24.5-mile (39.5-kilometer) course to record, tentatively, her first victory in 16 races.

South Australia suffered a 24-inch (60-centimeter) tear along her hull, with the gash extending 18 inches into the decking. The yacht's operations manager, Scott McAllister, said that the spinnaker and mainsail had been destroyed and much of the rigging damaged.

"It won't just be a late night, it will be all night," McAllister said of the repair job faced by his team.

In the other races Saturday, Kookaburra III beat golden-hulled stables Kookaburra II by four seconds and Australia IV turned in a predictable 70-second victory over

defending champion Australia III. Murray trailed the eight-month-old Kookaburra II for six legs after Peter Gilmore sailed his boat to a five-second lead at the start and increased that to 45 seconds rounding the first buoy.

Murray had halved the margin by the next beat and Gilmore's advantage had dwindled from 17 seconds on the reach to 12 seconds on the sixth leg before Murray caught up. The two yachts were within a boat length of each other for the entire last leg.

Australia IV led Australia III all the way, but not by much. Australia III skipper Gordon Lencas trailed by only 52 seconds before Beashel surged another 15 seconds ahead on the second reach.

Michigan Upset; Miami, Penn St. Rally

United Press International

NEW YORK — Second-ranked Michigan was beaten Saturday when Minnesota kicked a 30-yard field goal as time ran out. But the U.S. COLLEGE FOOTBALL

20-17 upset did improve the chance of a bowl showdown in January between the top two teams, because No. 1 Miami and No. 3 Penn State each won a close game.

Miami's 23-10 victory over Tulsa and Penn State's 24-19 triumph at Notre Dame made the winners 10-0 and kept them in the top ten and unbeat Division I-A teams.

U.S. COLLEGE FOOTBALL

According to Miami's coach, Jimmy Johnson, the Sunbelt Fiesta Bowl in Tempe, Arizona, is planning to shift its game from New Year's Day to Jan. 2 if it can match the Hurricanes and Nittany Lions. Miami is expected to accept this move.

The Sunbelt Fiesta and the Florida Citrus bowls are believed to have the inside track to what could be a national title game, although representatives of the Orange, Cotton and Gator Bowls attended the Miami and Penn State games Saturday.

Bowl bids got out next Saturday, when Penn State finishes its season against Pittsburgh. Miami plays its last game on Thanksgiving night against East Carolina. Miami's athletic director, Sam Jankovich, said the Hurricanes could decide by Sunday where they will be going.

"The feeling right now is that we are going to the Fiesta Bowl to play in prime time on Jan. 2, after all the other bowls are over," Johnson said. "I understand that the matchup will be against Penn State. The development with the game at prime time just occurred within the last few days."

In Saturday's game in Miami, Tulsa scored to 10-3 on David Preece's 29-yard field goal with five minutes left in the period. But the Hurricanes pulled away again on quarterback Vinny Testaverde's 53-yard touchdown pass to Brian Blades and a 4-yarder to tight end Eric Roberts.

In South Beach, Indiana, quarterback John Shaffer passed 37 yards to Ray Robinson for a touchdown late in the third quarter to put Penn State ahead, then sneaked a yard for the deciding touchdown as the Nittany Lions stretched their regular-season winning streak to 20

touchdown late in the third period.

The drive started after A&M quarterback Kevin Murray was intercepted for the first time in his last 159 passes. The Razorbacks can win the SWC and a Cotton Bowl bid if they defeat Southern Methodist next week and Texas A&M loses to Texas Christian or Texas in the next two weeks. Texas can win the SWC if it takes its last two games and Arkansas loses to SMU.

Georgia 20, Auburn 16: In Auburn, Alabama, reserve Wayne Johnson passed for one touchdown and ran for another as Georgia's upset, coupled with LSU's victory, ended No. 8 Auburn's hopes for a Sugar Bowl berth.

Louisiana St. 47, Mississippi St. 6: In Jackson, Mississippi, freshman Tom Hodson threw for 231 yards and two touchdowns, the defense intercepted three passes and No. 11 LSU improved to 7-2 overall, 5-1 in the Southeastern Conference.

The Tigers clinched at least a tie for the SEC title and will win it outright if Auburn beats Alabama on Nov. 29. If Alabama wins, the Crimson Tide will finish 5-1 in the SEC and conference representatives will vote on whether to send LSU or Alabama to the Sugar Bowl. LSU, which beat Alabama by 14-10 last week, has not finished first in the SEC since 1970.

Washington 17, UCLA 17: In Seattle, Jeff Jaeger kicked a 27-yard field goal as time expired to give No. 10 Washington its tie in a Pacific-10 game between bowl hopefuls. David Franey, who missed from 45 yards earlier in the quarter, had kicked a 42-yard field goal with 1:29 left to give the Bruins a 17-14 lead.

Arkansas 14, Texas A&M 10: In Little Rock, Arkansas, the No. 16 Razorbacks kept the No. 7 Aggies from clinching the Southwest Conference title when quarterback Greg Thomas ran 10 yards for a

Giants Beat Vikes on Last Play

The Associated Press

MINNEAPOLIS — Raul Allegre's fifth field goal of the game Sunday, a 33-yarder with 12 seconds to play, gave New York a 22-20 victory over the Minnesota Vikings and kept the Giants atop the NFC East in the National Football League.

Quarterback Phil Simms, who was 23-of-38 passing for 309 yards, threw 21 yards to Bobby Johnson

NFL ROUNDUP

on fourth-and-17 with 1:12 to go to keep the winning drive going.

New York improved its record to 9-2, a half-game ahead of Washington, which was to play San Francisco on Monday night.

The Giants got only 49 yards rushing from Joe Morris, who entered the game as the NFL's second-leading rusher after four straight 100-yard games. He did go over the 1,000-yard mark for the second straight season.

Minnesota had taken a 20-19 lead with 6:53 left when Wade Wilson replaced quarterback Tommy Kramer and hit Anthony Carter with a 33-yard touchdown pass. Kramer was 16-of-25 for 187 yards and one touchdown before jamming the thumb on his throwing hand.

Bears 13, Falcons 10: In Atlanta, Mike Tomczak atoned for a dismal first half with two long passes in the third quarter and the defense held Atlanta without a first down for the first 23 minutes of that half as Chicago rallied from a 10-0 deficit.

Tomczak was just one-of-eight for six yards before intermission as the Bears, who won for the ninth time in 11 games, were held without a first down for the game's first 34 minutes and one of Tomczak's two interceptions was returned 14 yards for a touchdown by Joel Williams.

But Tomczak was 8-of-14 for 197 yards in the second half. He completed an 85-yard pass to Emery Moonhead on the second play of

Tommy Kramer

the half, then snuck over from the one-yard line to tie the score. On the next series, Tomczak threw 27 yards to Willie Gault to set up a 44-yard field goal by Kevin Butler that gave the Bears the lead for good.

In that half the Bears' Mike Richardson picked off two deep passes by Turk Schonert, who had replaced David Archer when Archer separated a shoulder to the second quarter. Dave Duerson intercepted another pass to end the Falcons' final drive.

Bengals 34, Seahawks 7: In Cincinnati, quarterback Boomer Bruman's third-quarter touchdown pass put his team ahead and defensive end Eddie Edwards recovered a fumble by quarterback Dave Krieg in the end zone to ensure Seattle's fourth straight loss.

The Seahawks missed on three field goal attempts, made five turnovers — two resulting in Cincinnati touchdowns — and were called for pass interference in the end zone to set up Edison's one-yard touchdown pass to tight end Eric Karney. Edison was 22-of-33 for 324.

Dolphin 34, Bills 24: In Orchard Park, New York, Dan Marino passed for four touchdowns and

SCOREBOARD

Football

U.S. College Results

FAST

American International 49, Springfield 7

Army 24, Loyola 48

Boston U. 45, Colgate 17

Boston College 35, Syracuse 9

Brown 20, Dartmouth 21

Buffalo 42, Providence 57

Case Western Reserve 21

Case Western Reserve 21

Case Western Reserve 21

Case Western Reserve 21

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Basketball

NBA Standings

EASTERN CONFERENCE

Atlantic Division

Boston 4 4 3-1 .69

Philadelphia 5 4 3-1 .69

New York 5 4 3-1 .69

Washington 5 4 3-1 .69

New Jersey 5 4 3-1 .69

Central Division

Atlanta 3 3 2-1 .67

Chicago 3 3 2-1 .67

Indiana 3 3 2-1 .67

Pittsburgh 3 3 2-1 .67

Cleveland 3 3 2-1 .67

Detroit 3 3 2-1 .67

WESTERN CONFERENCE

Midwest Division

Utah 6 2 3-1 .75

Houston 6 2 3-1 .75

Dallas 6 2 3-1 .75

San Antonio 6 2 3-1 .75

Denver 6 2 3-1 .75

San Diego 6 2 3-1 .75

Phoenix 6 2 3-1 .75

Portland 6 2 3-1 .75

Seattle 6 2 3-1 .75

Los Angeles 6 2 3-1 .75

Golden State 6 2 3-1 .75

San Jose 6 2 3-1 .75

San Francisco 6 2 3-1 .75

Los Angeles 6 2 3-1 .75

Golden State 6 2 3-1 .75

San Jose 6 2 3-1 .75

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San Francisco 6 2 3-1 .75

Los Angeles 6 2 3-1 .75

Golden State 6 2 3-1 .75

San Jose 6 2 3-1 .75

San Francisco 6 2 3-1 .75

Los Angeles 6 2 3-1 .75

Golden State 6 2 3-1 .75

Hockey

National Hockey League Standings

WALEY CONFERENCE

Pittsburgh 11 6 2 3-1 .69

Philadelphia 11 6 2 3-1 .69

NY Islanders 11 6 2 3-1 .69

New York 11 6 2 3-1 .69

Washington 11 6 2 3-1 .69

NY Rangers 11 6 2 3-1 .69

Adams Division

Montreal 9 5 2 3-1 .67

Quebec 9 5 2 3-1 .67

Buffalo 9 5 2 3-1 .67

Calgary 9 5 2 3-1 .67

Edmonton 9 5 2 3-1 .67

Winnipeg 9 5 2 3-1 .67

Los Angeles 9 5 2 3-1 .67

San Jose 9 5 2 3-1 .67

San Francisco 9 5 2 3-1 .67

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San Jose 9 5 2 3-1 .67

San Francisco 9 5 2 3-1 .67

Los Angeles 9 5 2 3-1 .67

San Jose 9 5 2 3-1 .67

San Francisco 9 5 2 3-1 .67

Soccer

EUROPEAN CHAMPIONSHIP

Italy 3, Sweden 2

Poland 2, Sweden 1

Switzerland 1, Malta 0

ENGLISH FIRST DIVISION

Aston Villa 6, Chelsea 0

Liverpool 2, Everton 2

Manchester City 2, Charlton 1

Newcastle 2, Wolves 0

Norwich 0, Middlesbrough 0

